

Global Market Segmentation in Food and Beverages: A study between Malaysia and Iran

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ABSTRACT

Drawing on GMS theory, this study predicts the existence of stable cross-market segments in the food and beverages industry. Surveying a cross-national group of consumers from Malaysia and Iran, a total of 250 usable questionnaires were used in present study. Results of a factor analysis identify seven lifestyle factors that can be used to help segment sportswear consumers. A follow-up cluster analysis indicates four psychographic segments cut across cultural boundaries: Lenient Food Consumers, Nutrition Adventurous Food Consumers, Outgoing Food Consumers and Rational Food Consumers. The study also investigates whether the four segments can be targeted separately and finds that they do, indeed, present different characteristics. Present study provides useful insights for food and beverages markets that allow the food and beverages industry to target market segments based on the theoretical framework.

Keywords: Global market segmentation, Global marketing strategy theory, Food and beverages industry, Lifestyle food and beverages purchase behavior

INTRODUCTION

The current trend of the international business, globalization of markets and international competition are involving firms to maneuver in a multicultural environment so that they could sustain and procure competitive advantage over their business from time to time. Improvement in information technology, as well as widespread mass media exposure, leads consumers across the world seeing similar online advertisement a click away, suggesting that advertisement across countries may be more appropriate. In this case, the tools of international market segmentation have become an important issue in marketing context, leading to the adoption of similar advertisement across multiple countries (Craft & Hassan, 2015; Agarwal, Malhotra, & Bolton, 2010; Ko et al., 2010).

In growing conditions of global market, consumers in diverse countries may have more in common than consumers within a country (Bahadir, Bharadwaj, & Srivastava, 2015). Hereby, the major challenges faced by international marketers were to identity cross-national market segments and to reach them with customized marketing mix programs that suit various segments of customers (Mazanec et al., 2015; Lockshin, Quester, & Spawton, 2001). Although numerous of studies have emphasized on product standardization, global marketing strategy (GMS), and advertising standardization, somewhat, only some have discussed whether cross- national segments can be effectively targeted by marketers (Taylor, 2005). In

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particular, practitioners or researchers have drawn limited attention to the food and beverages industry, although this industry has undergone rapid globalization. Besides, understanding of this diversity of preferences and sensitivities that exists among consumers in the market is one of the most important challenges or problems in consumers and market research.

The number of restaurants that open their branches worldwide has increased in these few years. Among that, as one of the leading franchise fast food companies, McDonald has been operational for more than 70 years with approximately 37,241 restaurants worldwide (Statista, 2018). The total revenue of McDonald in 2017 was about US \$ 22.82 billion. Of that amount, 31.53% was from the US market whereas 40.37% was attributed to the Europe market and 23.05% from APMEA (i.e., Asia/Pacific, Middle East, and Africa). This phenomenon evidences that global market segmentation has become one of the critical issues in the food and beverages industry especially for those companies that intend to penetrate the global market. Thus, rather than concentrate on national differences, this study focuses on consumer similarities across the world market. In the past, advertising effectiveness research looking at cross-national market segmentation in the apparel industry (Ko et al., 2007), sportswear industry (Tong & Hawley, 2009) and online games industry (Lee et al., 2004). So far, lack of similar research has been focused on the food and beverage (F&B) industry, thus this study would like to close the gap in the literature by extending advertising effectiveness research to the food and beverages context.

This study uses theoretical perspectives from the literature, including Global Marketing Strategy (GMS) theory, to develop and design hypotheses pertaining to the existence of cross-national market segments in the food and beverages industry. Hence, the results of the study can be construed in the broader context of global marketing strategy. Present study aims to examine the occurrence of similarities across world food and beverages markets that allow businesses to identify and target market segments based on the theoretical framework. As part of an overall global market strategy, the study examines consumers in the food and beverages industry from two countries (i.e., Malaysia and Iran) and clusters survey respondents based on a combination of demographic and lifestyle segments.

The remainder of the paper is structured as follows. The second part highlights on Global Marketing Strategy theory and hypotheses development. Followed by the research methodology and findings. The last part of the paper reports on discussion, implications and avenue for future studies.

LITERATURE REVIEW

According to the Global Marketing Strategy (GMS) theory which was proposed by Zou and Cavusgil (2002), 'it gives a theoretical basis for current study to look into the potential of cross-national global marketing'. The GMS model provides a constructive theoretical framework for gauging the opportunities created through global advertising as well as marketing. This approach explained that "when external pressures compel firms to capitalize on market interdependencies and look for cross-market synergies and cost savings via economies of scale, organizations that practice the GMS will be more thriving than those who do not" (De Mooij, 2018; Rao-Nicholson, & Khan, 2017; Schlegelmilch, 2016).

Particularly, the GMS model encompasses eight types of dimensions as shown in the Figure 1 and each of it represents a marketing execution plan that is under the control of managers. To

be precise, it breaks into eight dimensions: product standardization, promotion standardization, distribution standardization, pricing standardization, standardized channel structure, concentration of marketing activities, and coordination of marketing activities, global market participation and also integration of competitive moves by the marketer (Zou & Cavusgil, 2002) (as shown in Figure 1).

Figure 1: Global Marketing Segmentation



Source: Zou & Cavusgil (2002)

GMS theory further argues that improvements in fit would produce good financial and strategic performance for those firms with the internal capability to target the cross-national segments. Based on theory, the success that emanates from following GMS model is a result of competitive advantage that built via additional synergies, economies of scale, as well as cross-subsidization (Lee & Carter, 2011; Griffith, 2010; Theodosiou & Leonidou, 2003; Jain, 1989). Within the context of this study that intends to look at the possibility of using standardized advertisement in Malaysia and Iran, GMS theory is used as the theoretical basis to use segmentation to assess if there are distinct segments across Malaysia and Iran.

In short, GMS perspective argues that the growing of global consumer allows marketers to search for cross-market or cross-national segments in order to implement more competitive global strategies that characterized by more standardization of the product offerings, promotions, as well as other marketing variables. A few studies have provided evidences on GMS perspective by reporting distinct segments emerged across countries. Both scholars Tong and Hawley (2009) as well as Ko et al. (2007) found cross-national segments for foot wear and fashion wear respectively across their countries. Thus, it is expected that distinct lifestyle segments could be found across Malaysian and Iranian customer. In this case, first hypothesis is developed as follow:

H1: *Distinct lifestyle segments exist that cut across consumers of different nationalities.*

In present study, three measures were adopted in measuring for advertising effectiveness. Among that, attitude toward the advertisement and attitude toward the brand both represent the attitudinal perspective, meanwhile, purchase intention signify behavioral perspective.

Numerous of studies had confirmed the significant effect of attitude toward the advertisement and attitude toward brand (Bart, Stephen, & Sarvary, 2014; Lim, Cheah & Wong, 2017; Duffett, 2015). Regarding the behavioral component of advertising effects, purchase intention is view as the ultimate goal of advertising in communication, purchase decision, and sales (Cham, Ng, Lim & Cheng, 2018; Lee, 2017; Carlson, O’Cass, & Ahrholdt, 2015; Srivastava, & Kaul, 2016).

Similar to Enuju, Kim and Zhang (2008) that focuses on fashion industry segmentation; this study uses GMS theory as foundations to predict the relative impact of food and beverages lifestyle versus the nationality on a global advertising appeal. GMS proposes that there are homogenous consumer groups across countries due to their similar exposure to global media like Youtube, Facebook, Instagram and etc. GMS’s contention has also been supported by empirical research done by Ko, Lee, Kim and Burns (2010) as well as Enuju, Kim and Zhang (2008), where both studies found greater lifestyle effect than nationality effect on advertising effectiveness. Similar to their prediction, we predict that in the context of food and beverage, the appeal of a specific ads strategy is more strongly correlated with the lifestyle segment than nationality. The main interest is whether lifestyle segment is a more crucial driver of the effectiveness of ads rather than nationality. Therefore, the following predictions are:

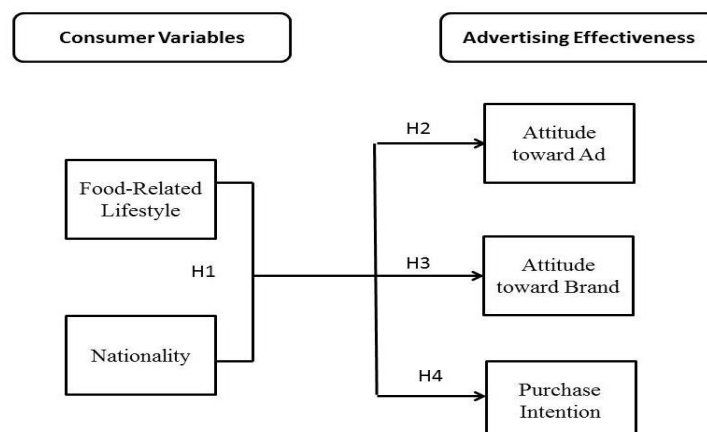
H2: *The impact of lifestyle segment on attitude toward advertisement is stronger than nationality segment.*

H3: *The impact of lifestyle segment on attitude toward brand is stronger than nationality segment.*

H4: *The impact of lifestyle segment on purchase intention is stronger than nationality segment.*

The conceptual framework shown in Figure 2 was developed to test if effectiveness of standardized ads for food and beverages brand is more strongly driven by food-related lifestyle or nationality. In the research framework, attitude toward ads, attitude toward brand, and also purchase intention serve as the dependent variables that capture global ads effectiveness in the perceptions of consumers in the two countries (i.e. Malaysia and Iran). Food-related lifestyle and nationality served as independent variables to assess their impact on advertising effectiveness (i.e. attitude toward ads, attitude toward brand, attribute toward and purchase intention) on food and beverages in Malaysia.

Figure 2:
Framework



Research

RESEARCH METHOD

The sample frame for this study comprise of Malaysian and Iranian's consumers in Malaysia. Mall intercept approach was selected due to the necessity for the researcher to handle complex questions, explain and clarify difficult questions and guide the respondents on the manner the answers were recorded. The instruments for this study included of lifestyles, attitude towards advertisement, attitude towards the brand, and purchase intention. Lifestyle dimension was measured by 25 items proposed by Grunert et al. (1993). Attitude toward advertisement and purchase intention were measured using 11 items scale and 2 items scale that adopted from Ko et al. (2007). In addition, attitude toward brand was identified using 6 items as suggested by Goldsmith (2002).

Sample Characteristics

A total of 250 usable questionnaires were obtained from Malaysia (49%) and Iran (51%). Almost equal number of female (51%) and male (49%) participated in this survey. For age distribution, almost 46% of respondents were between the ages of 25 and 30. In term of marital status and religion, 61% of the responses are single and about 73% of them are Muslim. In addition, respondents primarily (35%) hold the income between RM 2,001 to RM 3,000. Table 1 shows the distribution of demographic variables.

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Table 1: Demographic Characteristics

Demographic Information	Description	Frequency	Per cent (%)
Age	18-24 years old	28	11.00
	25-30 years old	115	46.00
	31-40 years old	81	33.00
	41-45 years old	12	5.00
	46-50 years old	3	1.00
	51 years & above	11	4.00
Gender	Female	129	51.00
	Male	121	49.00
Marital Status	Single	153	61.00
	Married	95	38.00
	Divorced/ Widowed	2	1.00

Nationality	Malaysia	124	49.00
	Iran	126	51.00
Religion	Muslim	181	73.00
	Christian	15	6.00
	Buddhist	41	16.00
	Others	13	5.00
Income Level	Less than RM2000	67	27.00
	RM2001-RM3000	87	35.00
	RM3001-RM4000	29	12.00
	RM4001-RM5000	24	9.00
	RM5001-RM6000	17	7.00
	More than RM6000	26	10.00
Total		250	100.00

RESULTS

Exploratory Factor Analysis

In order to examine whether cross-national segments exists, we used a preliminary factor analysis then followed by a cluster analysis. Initially, principal component factor and varimax rotation were employed in order to identify underlying dimensions of the 25 food-related lifestyle items. The 27 items resulted in seven factors with eigen values of 1.0 or higher, accounting for 63.5% of the total variance in food-related lifestyle (Table 2). The food-related lifestyle consisted of seven factors: health-conscious, enjoyment of dining, price sensitive, novelties, suggestibility, familiarity and product information. The factor loadings of the constructs were ranged from 0.467 to 0.851 and Cronbach's alpha ranged from 0.66 to 0.86 (Table 2).

Table 2: Factor Loading for Lifestyle Segment

Factor	Factor Loading	Eigen Value	% of Variance	Cronbach Alpha
Factor 1: Health-Conscious		5.00	18.4	0.86
I prefer to dine natural food products (i.e., food without preservatives).	0.851			
To me naturalness of the food that I buy is an important quality.	0.844			
I try to avoid food products with additives.	0.806			
I prefer to buy food product that are fresh rather than pre-packed.	0.611			
It is important to me that food products are fresh.	0.467			
Factor 2: Enjoyment of Dining		3.35	12.4	0.77
We often get together with friends to enjoy casual dinner in a restaurant.	0.841			
Going out having dinner in a restaurant is a regular part of our eating habits.	0.793			
I do not consider it a luxury to go out with my	0.777			

family to have dinner in a restaurant.				
Well-known recipes are indeed the best.	0.448			
Factor 3: Price Sensitive		2.41	8.9	0.74
I watch for ads in food promotions and plan to take advantage of them when I go shopping.	0.767			
I always check prices even on small items.	0.750			
I notice when products I buy regulatory change in price.	0.694			
I compare prices between product variants in order to get the best value for money.	0.616			
Factor 4: Novelty		2.06	8.9	0.74
I love to try recipes from foreign countries.	0.739			
I like to try new foods that I have never tested before.	0.670			
I find the taste of food products important.	0.650			
It is important for me to know that I get quality for all my money.	0.492			
Factor 5: Suggestibility		1.69	6.3	0.72
I am influenced by what people say about a food product.	0.793			
I have more confidence in food products that I have seen advertised than in unadvertised products.	0.748			
Information from advertising helps me to make better buying decisions.	0.719			
Factor 6: Familiarity		1.49	5.5	0.66
I only buy and eat foods which are familiar to me.	0.824			
A familiar dish gives me a sense of security.	0.736			
Factor 7: Product Information		1.2	4.4	0.67
I compare labels to select the most nutritious food.	0.850			
I compare product information labels to decide which brand to try.	0.682			
To me product information is of major importance that I need to know.	0.529			
Total Variance Explained			63.50	

Using these lifestyle factor scores, a k-means clustering procedure was conducted and a four-cluster solution emerged. The clusters identified from this procedure represent global market segments of food consumers that are homogeneous based on lifestyle and heterogeneous between segments. The four resulted clusters are named based on the lifestyle characteristics that best described them comprise of: lenient food consumers, nutrition adventurous food consumers, outgoing food consumers, and rational food consumers as shown in Table 3. Subsequently, ANOVA results (Table 4) also reveals significant differences among the four clusters in all of the eight lifestyle variables. These results support the notion that there are, indeed, food lifestyle segments that cut across cultures. Therefore, H1, which predicted that cross-national segments would exist, is supported.

Table 3: Cluster means of lifestyle segment

Cluster	1	2	3	4
Segment	Lenient Food Consumers	Nutrition Adventurous Food Consumers	Outgoing Food Consumers	Rational Food Consumers
Size	29.6% (n=74)	18.8% (n=47)	21.2% (n=53)	30.4% (n=76)
Cluster mean score	Dining Out 4.53	Dining Out 4.97	Dining Out 6.23	Dining Out 6.12
	Familiarity 5.34	Familiarity 3.91	Familiarity 5.13	Familiarity 6.01
	Health Conscious 5.48	Health Conscious 6.25	Health Conscious 5.57	Health Conscious 6.14
	Novelty 5.31	Novelty 6.28	Novelty 6.08	Novelty 5.87

Table 4: ANOVA in four food-related lifestyle

Factors		Sum of Squares	df	Mean Square	F
Health Conscious	Between Groups	99.103	3	33.034	97.023**
	Within Groups	83.758	246	0.340	
	Total	182.861	249		
Dining Out	Between Groups	140.188	3	46.729	123.451**
	Within Groups	93.118	246	0.379	
	Total	233.306	249		
Novelty	Between Groups	33.209	3	11.070	30.199**
	Within Groups	90.172	246	0.367	
	Total	123.381	249		
Familiarity	Between Groups	128.821	3	42.940	114.334**
	Within Groups	92.390	246	0.376	
	Total	221.211	249		

Note: **p<0.01

The first cluster consists of 29.6% of the sample that showed an average importance to familiarity and health conscious, as well as low importance on dining out and novelty. Cluster 1 is labeled as “Lenient Food Consumers”. These consumers are not particular about food decision; they will consume the food as long as the food looks somehow familiar and meet the basic nutrition value. Apparently, they also rarely try exotic food recipes and cannot be regarded as novelty-seekers. Thus, having regular recipes or meals, sticks to traditional tastes, and having fresh products are sufficient to keep them satisfy and happy.

The second cluster (18.8%) is labeled as “Nutrition Adventurous Food Consumers,” who placed high importance on both health-conscious and novelty when making food decision but

eating out and familiarity are not significant factors to them. In general, their main objective is to avoid constantly eating the same nutritious foods. Therefore, they frequently motivated to buy foods that they have not tried before. Also, the members would try exotics recipes that give them nutritious value.

Cluster 3 (21.2%) is a group high emphasis on dining out and novelty, showing an interest in enjoying meals with friends or family in restaurants. Good atmosphere, conversation, enhancing friendship, and being with friends are priorities. They are also puts a high expectation in novelties because they are those people who are open-minded and enjoy new recipes of food that are tasty. Thus, they are labelled the “Outgoing Food Consumers” group.

The final cluster (30.1%), the largest segment, tends to place a high value on health conscious, familiarity and dining out. This is important mainly for their dietary consideration and they avoid products that contain (artificial) additives that can pose issues on health aspects. To some degree, this segment of consumer prefers food that enriched in nutrients. This group is labeled as “Rational Food Consumers”. Besides, these are the consumers who very conscious on the familiarity of their choice of food which helps them to remove misapprehensions or unfamiliarity regarding any food products which compromise their health value. On top of that, they enjoy dining out or having a meal out with their friends or family in a restaurant. This could give them a sense of enjoyment and satisfaction in consuming nutritious and tasty food products while spending time with family and friends in a comfortable restaurant.

Two Way ANOVA

Initially, Cronbach’s alpha have used to examine the level of reliability on attitude toward advertisement, attitude toward brand and purchase intention in order to ensure the scale’s internal consistency. The result of Cronbach’s alpha for the three concepts ranged from 0.88, 0.81 and 0.83, thus, reliable to use for further analysis (Nunnally, 1978).

Table 5: Cronbach’s Alpha for Constructs

Construct	Items	Cronbach’s Alpha
Attitude toward advertisement	11	0.88
Attitude toward brand	6	0.81
Purchase Intention	2	0.83

For testing the hypotheses (H2 to H4), two-way ANOVA were used in the study. As illustrated in Table 6, the main effects of food-related lifestyle on attitude toward advertising were significant ($F=5.97$, $p<0.001$), while the effect of Nationality was not significant ($p=0.27$). Thus, H2 was supported. As the impact of lifestyle segment on attitude toward advertisement is stronger than nationality segment in predicting attitude toward ads. In addition, there was interaction effect on attitude toward ads for Malaysia and Iran based on food-related lifestyle and nationality ($F=3.53$, $p<0.05$).

Table 6 also illustrates the effects of food lifestyle and nationality on attitude toward brand. Nationality ($F=9.40$, $p < 0.001$) was more significant than food-related lifestyle ($F=3.21$, $p<0.05$) in predicting attitude toward brand. Therefore, H3 was not supported. Moreover, there was interaction effect on attitude toward brand for Malaysia and Iran based on food-related lifestyle and nationality ($F=2.71$, $p < 0.05$).

As presented in Table 6, food-related lifestyle had a significant effect on purchase intention toward brand ($F=3.32$, $p<0.05$), while nationality was not. Therefore, H4 was supported, as the impact of lifestyle segment on attitude toward brand is stronger than nationality segment. Also, there was a significant interaction effect between food-related lifestyle and nationality for purchase intention toward a brand ($F=3.24$, $p<0.05$) for both countries.

Table 6: Assessment of Two-way ANOVA

	Path	Source	SS	df	MS	F	p-values
H2	Attitudes toward ad.	Food-related lifestyle	8.66	3	2.89	5.97***	0.001
		Nationality	0.59	1	0.59	1.21	0.272
		FL× NAT	5.12	3	1.71	3.53*	0.016
H3	Attitudes toward brand	Food-related lifestyle	4.41	3	1.47	3.21*	0.024
		Nationality	4.3	1	4.3	9.40***	0.002
		FL× NAT	3.72	3	1.24	2.71*	0.033
H4	Purchase Intention	Food-related lifestyle	9.21	3	3.01	3.32*	0.02
		Nationality	0.26	1	0.26	0.29	0.593
		FL× NAT	8.98	3	2.99	3.24*	0.023

Note: $p^* < 0.05$; $**p < 0.01$; $***p < 0.001$

Post-Hoc Analysis

Since two-way ANOVA results suggest that lifestyle segments are better predictor of attitude towards advertisement and purchase intention, then Nationality segment. One-way ANOVA was performed to identify segments that marketers have higher chances of mesmerizing them. Table 7b shows that segment 3 (outgoing) and 4 (rational) have significantly better attitudes towards advertisement than segments 1 (lenient) and 2 (nutrition adventurous). Also, segment 3 and 4 are significantly more likely to purchase food than segment 1. Thus, marketing or advertisement messages should appeal to segment 3 who like eating out and enjoying novel food, as well as segment 4 who like eating out as well as placed high emphasis or nutrition value and familiarity.

Table 7a: One-way ANOVA

Components		Sum of Squares	df	Mean Square	F	Sig.
Attitude toward ad	Between Groups	17.37	3	5.79	11.38***	0.000
	Within Groups	125.16	246	0.51		
	Total	142.53	249			
Purchase Intention	Between Groups	18.69	3	6.23	6.48***	0.000
	Within Groups	237.03	246	0.96		
	Total	255.73	249			

Table 7b: Post Hoc tests-Turkey HSD

Dependent Variables	Cluster (I)	(J)	Mean Difference (I - J)
Attitude toward ad	3	1	0.54**
		2	0.54**
	4	1	0.52**
		2	0.52**
Purchase Intention	3	1	0.61**
	4	1	0.59**

Note: ** The mean difference is significant at the 0.05 level.

Since two-way ANOVA results showed that Nationality is a better predictor than food lifestyle segment in predicting attitude toward brand, an independent sample t-test was conducted to understand which nationality's attitude towards brand should be improve. As can be seen from Table 8b, Levene's test for equality of variance is not significance ($p=0.106$), that assumed equals variance. Significance level for equal variance t-test is 0.00 ($p<0.05$), indicating that Malaysians attitude toward food brand (4.95) is significantly better than Iranian (4.42). Thus, suggesting that advertising and marketing mix effort should be channelled towards improving brand perception among Iranian consumers.

Table 8a: Group Statistics

	Nationality	N	Mean	Std. Deviation
Attitude toward brand	Malaysia	124	4.95	0.76
	Iran	126	4.42	0.64

Table 8b: Independent Sample t-test

		Levene's Test for Equality of Variances				
		F	Sig.	t	df	Sig. (2-tailed)
Attitude toward brand	Equal variances assumed	2.63	0.106	5.96	248	0.00
	Equal variances not assumed			5.96	240.42	0.00

DISCUSSIONS

With accelerating globalization and advances in information technology, the recent issues regarding globalized marketing have highlighted the need to scrutinize whether marketers can target cross-national market segments. Basically, this study aimed for cross-national segments in the food-related lifestyle and examined whether one advertisement appearing as part of a global advertising campaign had equal appeal to the segments. In this case, our findings generate striking evidence that there do appear to be cross-national food and beverages segments for consumers, at least in the countries examined in these studies and in a global advertising campaign, targeting the cross-market segment may be more effective than designing an advertisement to appeal to consumers of only one nationality.

The study also suggests that there are interactions between food-related lifestyle segment and nationality, which might suggest that minor tweaks to a campaign are appropriate in some cases so that the degree of acceptance of an advertisement of food in Malaysia can be easily consent by Iranian. However, the main effect of food-related lifestyle was the primary driver of food's advertising effectiveness indicators (attitude toward ad and purchase intention), suggesting that cross-national advertisement is appropriate. In other words, similar advertisement used in Malaysia can be used in Iran, as it appeals to two lifestyle segments (outgoing and rational).

The findings present the usefulness of a lifestyle scheme for global market segmentation and provide guidelines for global companies that target Iranian consumers for food and beverages industry. The study has identified four key segments that could potentially be used to identify consumers across markets that were "lenient food consumers", "nutrition adventurous food consumers", "outgoing food consumers", and "rational food consumers". In addition, the presented result call attention to the most important potential target segments according categories.

The food-related lifestyle segments were consistent with the consumers of functional foods that have already been segmented by Urala and Lahteenmaki (2007), but not previously verified in a cross-national study. Thus, these segments were significantly different for attitude toward advertisement, attitude toward brand, and purchase intention for the brand. To be precise, outgoing food consumers (cluster 3) and rational food consumers (cluster 4) tended to have more favourable attitudes toward food ad if compared to other segments from cluster 1 and 2. This group of members or segments should be focused more by marketers since they are more likely to purchase on foods due to their characteristics (high emphasis on eating out, familiarity and nutrition). Apart from that, segment in cluster 3 and 4 have more favourable attitude towards food advertisement if compare to the segment 1 and 2. In addition, consumers in cluster 3 and 4 are also more likely to purchase food products. Thus, these two segments are valuable or potential target market for restaurant.

Given the strength of the main effects for the food segments, therefore the findings imply that global food marketers should consider the motivations of the segment they are appealing to across markets. These segments have distinct patterns in terms of food familiarity, novelty, eating out and nutrition emphasis. Thus, our result suggests the ability to build brand equity in the food and beverages industry by using standardized promotional strategies to appeal to specific global market segments. In this case, outgoing and rational segments would be more effective than using Nationality as segmentation strategy.

IMPLICATIONS

Given the range of countries included in this study, with representation from Malaysia and Iran, these findings provide support for the notion that there has been a movement toward the existence of global consumers who can be targeted cross-nationally, at least in Malaysia and Iran context. Consistent with the tenets of Global Marketing Strategy, the study presented here has found that a global approach to market segmentation in the food and beverages industry can be a viable method for global marketers to appeal to consumers across the world. As a result, the study is supportive of GMS theory as well as the idea that there is a trend toward the emergence of a global consumer culture that proposed by Hassan, Craft and Kortam (2003). In an increasingly global economy, it should not come as a major surprise that there are at least some segments looking for same types of goods and services that cut across national boundaries. In this case, targeting cross-national segments will lead to higher strategic and finance performance.

Besides, examining and profiling the purchasing behavior of Iranian and Malaysia consumers by lifestyle segmentation, the analytical framework suggests that multinational marketers indeed can segment the world marketplace into a manageable number of cross-national clusters. Through this information, managers from food and beverages industry in general are made aware that country segmentation or cross-country food-related lifestyle can be used as basis for segmentation. Moreover, by standardizing across similar cross-national segments, the advantages of both standardization and targeting within country segments can be reaped. In this case, food and beverages brands in Malaysia could gain several benefits by targeting cross-national segments, such as reducing costs through economies of scale, boosting purchasing power, enhancing competitive advantage, and building customer loyalty (Hofstede, 1999; Zhou and Yong, 2010).

CONCLUSION AND FUTURE RESEARCH DIRECTIONS

In the nutshell, despite the increasing attention of Global Marketing Strategy (GMS) is receiving in academic literature, this study provides a beneficial insight to both academician and practitioners in food and beverages industry. Notwithstanding, some suggestions are given to improve future research. Firstly, validation with samples collected in multiple countries would be worthwhile especially in examining the reaction to ads. This will actually illustrate a better understanding of a notion in cross-national market segmentation. Apart from that, researchers can adopting this model by studies in different type of industry such as airline industry, automobile industry, tourism industry and so others industry. Via that, it really helps us to grasp the understanding on each industry that has different type of core importance based on cross-national market segmentation. Thus, it will bring benefits to food and beverages industry by helping them in enhance the performance of their business.

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