An Investigation of Cultural Factors in the Marketing and Advertising of Small and Medium-sized Enterprises (SMEs) in the Gulf Co-operation Council (GCC) countries

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ABSTRACT
This paper investigates the relationship between marketing and culture in the Gulf Co-operation Council (GCC) countries and whether culture has an effect on advertising in small and medium-sized enterprises (SMEs). The study examines, with special focus on advertising, whether SMEs in GCC countries are applying (practicing) marketing principles and whether they consider the context in which advertising takes place in the surrounding culture. This raises the question who should decide on the nature of the advertisement, the owner or the advertising agency. Questions related to advertising and culture within the SME sector in GCC countries are therefore answered in this study. The research employed quantitative methods to gather and analyse data and the research strategy involved a sequential procedure with the questionnaire designed to fit the objectives of the research. Data from the survey were examined and analysed using the SNAP survey software package. Research findings indicate a major improvement in the restructuring of roles and working of SMEs with regard to marketing and advertising in the GCC is necessary. SMEs understood the importance of a marketing department either controlled by a general manager or owner who makes the overall decision.

Keywords: cultural factors; marketing; advertising; SME; GCC

INTRODUCTION
This study investigates the relationship between marketing and culture in the Gulf Co-operation Council (GCC) countries and determines whether culture has an effect on the advertising of small and medium-sized enterprises (SMEs). The GCC was formed in 1981 and contains six countries, Qatar, Saudi Arabia, Oman, Kuwait, Bahrain and the United Arab Emirates. These are developing countries with economies mainly dependent on oil exports. The current economic situation has created a new understanding and definition of business and competition in these states with the populations of GCC countries benefiting from the resultant competition that reduces prices and provides post purchase services.

Since Gulf Co-operation Council countries consider SMEs to be an important sector to diversify their economies, they have deployed more effort into facilitating the establishment of SMEs. This positive change in GCC countries’ economies in recent years due to high oil prices has influenced them to consider SMEs as an alternative to oil should there be a future fall in oil prices again.

With advertising an important element of the marketing mix in terms of cultural boundaries; there is evidence that advertisers have had a negative effect on the advertising industry in the GCC (Tuncalp, 2001). There have been examples of advertisements SMEs have adapted for their own use which do not relate to the culture of the country.

This study therefore examines, with a special focus on advertising, whether SMEs in GCC countries are applying (practicing) marketing activities, and if they are considering the context in which that advertising takes place in the form of the surrounding culture. The question arises who should decide on the nature of the advertisement, the owner or the advertising agency. Accordingly, this study answers questions related to advertising and culture within the SME sector in the GCC countries.

It is evident that there is a close relation between advertising and culture and both have an affect on each other across all countries. The GCC states have a unique feature that they are conservative Islamic countries where adopting Western culture is generally not acceptable to the public. It has been revealed by Hong, Muderrisoglu and Zinkhan (1987) that advertising is a reflection of a culture and its norms, and they stated the influence of cultural differences on advertising is all encompassing since advertising is a form of social communication. Additionally, Sutherland and Sylvester (2000), highlight that any advertising message will lead to failure if it is inconsistent with existing beliefs.

In this study the research objectives are firstly, to determine what is the degree of the cultural factors involved in the marketing of Small and Medium-sized Enterprises (SMEs) in GCC countries including Saudi Arabia, UAE, Oman, Bahrain, Qatar and Kuwait, secondly to...
determine the capabilities of SMEs to undertake marketing and advertising, and thirdly determine the characteristics of the SMEs’ owner/managers.

Through having both academic and practical significance the investigation contributes to the body of understanding on the processes involving cultural factors and the marketing of SMEs in GCC countries, with specific reference to advertising (Al-Marri, 2015). There is significance for the development of specific policy measures to aid this process. The study builds on previous research identified in the literature review and provides knowledge about the different cultural factors involved in the marketing of SMEs. This may aid the development of specific initiatives whereby SMEs in GCC countries have access to the benefits of identified cultural factors at a relevant level.

By employing quantitative methods to gather and analyse data the research strategy adopted involved a sequential procedure with three stages: 1: an assessment of the marketing industries in the economies of the Gulf countries, 2: a questionnaire that followed certain steps to construct and develop a valid and reliable questionnaire, and 3: a detailed qualitative analysis of the findings.

In order to fit the objectives of the research the questionnaire was designed to include details of the investigation and anonymity and information confidentiality for all participants in the study. Some 1,600 fully usable questionnaires were returned to the researcher at the end of the data collecting period, and were prepared for data analysis. Data from the survey were examined and analysed using the SNAP survey software package.

Three research questions (RQs) formulated, in order to answer the research objectives, were: RQ1: what is the degree of the cultural factors involved in the marketing of Small and Medium-sized Enterprises (SMEs) in GCC countries including Saudi Arabia, UAE, Oman, Bahrain, Qatar and Kuwait?, RQ2: what are the capabilities of SMEs to undertake marketing and advertising?, and RQ3: what are the characteristics of the SMEs’ owner/managers?

The background to the study, literature review, research methodology, data analysis and results are discussed in the following sections. As the investigation considers the relationship between marketing and culture in Gulf Cooperation Council (GCC) countries the next section describes background features of the GCC.

**BACKGROUND TO THE STUDY**

In terms of the oil and gas industry the GCC is a leader and, consequently, its business markets have started to grow in all respects. Member countries have employed their resources to develop and reposition as open states. This has created a new understanding and definition of business and competition in these ambitious nations. Accordingly, the populations of GCC countries are benefiting from this competition which brings prices down and provides post purchase service.

GCC states are mainly dependent on the oil and gas industry, which comprises approximately eighty five percent of their exports (Al-Watan, 2003). This creates an inherent danger, as any changes or instability (fluctuation) in oil prices affects the economies of these nations. In 1998 the decline in oil price was a clear example of the effect of such variations. GCC states have consequently been forced to cut back on expenditure, resulting in delay with major projects, and adversely affecting development in these states. Responding to this, GCC states have been working to establish a strong industrial base, supported by financial policy (Al-Marri and Al-Hasan, 2018) that directs the return (revenue) to investments that assist with the diversification of resources. Significantly a decision has been made to support SMEs within the GCC as they are an important mechanism to drive diversifying resources.

High oil prices do, however, occasionally help to increase revenue; as observed during February 2003, when the GCC states (together) had an additional revenue of $246 million per day, compared to the same period in 2002 (MENA Report, 2003). A high oil price was expected to continue over the following five years (Business Monitor International, January 2007).

Brad Bourland, Chief Economist at Riyadh’s Saudi American Bank (SAMBA), reported higher oil prices, at $92.64 a barrel, compared to $87.04 the previous year (2012), which drove strong liquidity growth in the GCC states for a second year running. He told delegates attending the International Islamic Finance Forum in Dubai that forecasts produced by his bank showed that GCC states’ gross domestic product (GDP) would grow by an average of 3.6% in 2003, compared with 2.2% in 2002. In particular, the UAE and Bahrain led the way with a GDP growth of 4.5%, followed by Qatar (4%), Saudi Arabia (3.9%), Oman (3%) and Kuwait (2%) (MENA Report, 24 February 2003). In comparison with GDP for 2011 a noticeable increase had taken place.

It is clear that GCC countries are very wealthy, especially with respect to per capita GDP. In fact, the Saudi market in the GCC dominates as it shares 42% of GDP in GCC. It is apparent that member countries of the GCC (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE) have benefited considerably from the oil revenues generated in recent decades. A concerted effort by member states has been apparent to diversify away from dependence on oil and its derivatives. This drive to broaden their economies has, inevitably, led to greater complexity and the need to respond effectively to the imperatives imposed by the widening range of products and industries.

As the demand for and supply of oil continues, these nations are able to draw on revenues from industry in order to continue funding their development and modernization. Future uncertainty with regards to oil has been the motor for change but members of the GCC appear to be acknowledging threats to their economies and taking appropriate steps to remedy this situation.

These are states that are politically moving forward into the modern world by embracing democratic structures. Traditionally, these are nations that have operated along tribal lines but new situations require new approaches, and their populations are becoming familiar with participatory democracy and the changes this brings to their lives.

According to evidence GCC countries consider the SME to be an important tool with which to diversify incomes and businesses (Al-Hasan et al., 2021). Such support is one of the key activities being undertaken within the GCC to diversify resources. For the next section (literature review) issues concerning marketing and SMEs in GCC countries and the relationship between marketing, in particular advertising and culture, are discussed.

**LITERATURE REVIEW**

According to Abernethy and Franke (1996) and Al-Olayan and Karande (2000:69) there is a gap in the literature stating that “…no study has examined the advertising information in any African nation, nor any part of the Middle East other than Saudi Arabia”.

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With Arab markets in general (Amine and Cavusgil, 1990), there has been little marketing research to aid in solving the problem of market segmentation. Also, Green (1992) in a review of the literature indicates that there is a significant lack of research investigating business practices in the Middle East, whereas the rest of the World is rich in similar studies. Additionally, Abernethy and Franke (1996) state that, in recent years, a wealth of literature has increased understanding of cross-cultural differences in advertising content and many studies have analysed and studied advertisement content across dissimilar cultures, such as the United States and Japan (e.g., Hong, Muderrisoglu and Zinkhan 1987; Mueller, 1987 and 1992; Javalgi, Cutler and Malhotra, 1995). It is claimed by Kaynak and Mitchell (1981) that many marketing authors have agreed that cultural differences between countries and within the same country should be recognised in devising advertising as part of the company's marketing strategy. Other studies have been conducted drawing attention to the similarities and differences in advertising expressions between the United States and other culturally similar countries such as Great Britain and Australia (Dowling 1980; Weinberger and Spots, 1989).

These advertising restrictions that exist within the type of social framework so far attributed to countries such as those in the GCC will have a considerable influence on the degree of standardisation allowed for a company's marketing programme (Waller and Fam, 2000).

Culture has been identified by Duncan and Ramaprasad, (1995) as the most important factor affecting marketing and advertising and influencing both the content variables, such as strategies and values, and the executional variables, such as colour. Furthermore, McQuarrie and Mick (1996) agreed with Duncan, et al. (1995) that visual language varies from one culture to another exactly the same as textual language. It is considered that limitations which might be imposed by cultural norms and values are important whatever is taken to market and is of considerable importance for service companies. With global competition increasing, understanding the cultural impacts of services becomes more critical for service firms (Riddle, 1992). Moreover, Kalliny, Morris and Minor (1992) stated their findings suggest advertisements used in one country cannot simply be directly translated for use in another. For instance, an advertisement clearly violating Islamic teaching may be viewed negatively and have an adverse effect.

Even though current popularity of global marketing underscores a growing homogenisation of markets and increasing similarities in the tastes of consumers around the World, cultural differences have not disappeared and remain largely deeply ingrained between countries (Mattila, 1999). An example of an acknowledgement of such differences and the seriousness with which they are regarded within cultures is HSBC's television advertising. Few studies have been conducted to investigate cultural factors in the GCC countries. Most studies conducted have been attempts to investigate the cultural values reflected in East Asian countries and the UK and to make comparisons with the USA. Here, Waller and Fam (2000) reflect there is also a shortage of research in the field of marketing regarding cultural effects on the target audience and their ability to understand advertisements.

In the discussion on marketing in the GCC an important issue involves the questions, when using marketing tools, are firms using the right images and is the culture of the country taken into account when preparing design or advertisement material? These are of particular relevance when new multinational advertising (which has recently entered the scenario as a new player to take advantage of the growing market in the Middle East) is taken into consideration (Melewar, Turnbull and Balabanis, 2000). Such entries into formerly unexploited markets create a possibility of advertising offending the society. If it is misleading or untruthful, a structure needs to be put in place to provide protection for the members of that society (Haker, 2000).

A well-known fact is that customers respond positively to advertising messages that match their culture (Yong and Gelb, 1996). Understanding of cultural differences is therefore usually considered and is a must for successful international advertising (Keegan, 1996) because when consumers grow in a certain culture they will be aligned to that culture and dictated to its norms and values. In the long term, this means that those wanting to advertise will be simpler if cross cultural differences are considered and dealt with prior to any offence being caused. With culture playing an important role in determining how customers expect services to be delivered, SME managers today should be aware both of their ability to leverage culture-driven expectations and the cost of ignoring cultural norms (Mattila, 1999).

Investigation carried out in this literature review has taken place in the light of the significant economic issue relevant to GCC countries – that of fluctuations in the price of oil and future threatened falls in that price (Al-Ibrahim, 1996; Ijlli, 2000); its finite availability; and, the search for new ways to maintain and enhance growth and sustainability of economies. With a high price of oil this has brought significant advantages to GCC economies in their attempt to diversify and discover future stable and secure underpinnings to their economies; issues constantly under discussion in these countries (Aly and Strazichich, 2000). With GCC countries it is widely acknowledged that there is a need to look to, and support their private-sector entrepreneurs through the development and support of SMEs (ESCWA, 2001). Here, the significance of SMEs to the growth and health of economies, whether developing or industrialised, is considered important.

It is acknowledged that an understanding of the prevailing culture of any market is of paramount importance in the search for effective marketing and advertising practice. Components of culture (the local language(s), religion, attitudes and values, and education) have been considered for the part they play in influencing the direction of marketing and advertising strategies and their effectiveness. It is on this basis, that marketing and advertising strategies in the GCC countries have been addressed. Contributions of many scholars to the issue of cross-cultural research into marketing and advertising practice have been investigated for the contributions they might make to this study (Dowling 1980; Hong, Muderrisoglu and Zinkhan 1987; Mueller, 1987 and 1992; Weinberger and Spots, 1989; Javalgi, Cutler and Malhotra, 1995; Abernethy and Franke, 1996; cited in Al-Olayan and Karande, 2000). With the relative appearance of marketing in the Gulf region (during the oil price boom in the mid-70s) this led to the growth of advertising companies in that area: some indigenous and several the result of joint ventures with established international agencies (Fasano and Iqbal, 2003). Notable mistakes have been made due to little attention being paid to the demands of the local culture and have been identified. Due to the appearance of the discipline in that region there is some doubt as to whether the practice of advertising is fully understood by large as well as small local enterprises. Studies had attempted to investigate the responses of customers on certain offensive advertising using culture as an explaining factor (Chen, Li, Dehli and Terlutter, 2007).
In this part of the World it would not be surprising for the owners of SMEs to be unaware of the pitfalls that might occur in creating advertising materials but it shows a marked lack of attention to current views on cross-cultural advertising and even a lack of respect for the local culture when this occurs as the result of a large international company's advertising campaign.

RESEARCH METHODOLOGY

Research questions investigated in this study included: i) (RQ1) "what is the degree of the cultural factors involved in the marketing of Small and Medium-sized Enterprises (SMEs) in GCC countries including Qatar, Saudi Arabia, UAE, Oman, Bahrain and Kuwait?", ii) (RQ2) "what are the capabilities of SMEs to undertake marketing and advertising?", iii) (RQ3) "what are the characteristics of the SMEs’ owner/managers?".

The research objectives of the study in relation to this were: (i) to determine the degree of the cultural factors involved in the marketing of Small and Medium-sized Enterprises (SMEs) in GCC countries including Qatar, Saudi Arabia, UAE, Oman, Bahrain and Kuwait, (ii) to determine the capabilities of SMEs to do marketing and advertising, and (iii) determine the characteristics of the SMEs’ owners/managers.

Results presented in this study can be applied practically in businesses in the GCC. The primary research aim is to understand the influence in practice of cultural factors in the advertising of SMEs in the Gulf States. Accordingly, the research was carried out in three stages and the research strategy used methods most appropriate to addressing the research question posed. This research has used: secondary data to assess the existing environment which exists for the marketing of SMEs in the GCC countries; and quantitative methods to determine cultural factors in the marketing of SMEs.

A first stage of the research set out the existing advertising environment currently existing in the economies of Gulf countries. It has drawn primarily on existing research, secondary data sources and information from key policy makers concerning advertising and SMEs. The secondary data sources include existing literature in the area, consisting of both published material and grey literature (including reports from consultants, universities and national bodies).

A second stage of the research involved three sub-tasks. First, to establish a population of suitable SMEs from the GCC countries, using the guidelines established in stage 1. A sample of SMEs have been drawn up and stratified by size and type. The next sub-task was the development of an initial (pilot) questionnaire and follow-up questionnaire. The initial questionnaire was a short two-side survey to determine the significance of cultural factors on the marketing of SMEs in GCC countries. To follow this, a longer, three-side questionnaire was used to capture more in-depth information. A questionnaire concerning SME advertising was also constructed for distribution to consumers in GCC countries. The last part has been data collection using the questionnaires developed. Methods of distributing the questionnaires for data collection were post and e-mail, with data cleaning and input of information following this. Data gathered was examined quantitatively using the SNAP survey software package.

How questionnaires are constructed is as important as the nature and wording of the questions asked. The respondents can be confused and misunderstand questions if they are not presented in a suitable format (Babbie, 1990). By drafting an initial questionnaire, using questions from other research studies is acceptable, even encouraged (Czaja and Blair, 1996). A general rule requires a questionnaire to be spread out and uncluttered.

A third stage of the research included the objective of undertaking a detailed cluster analysis of issues regarding cultural factors arising from analysis carried out in stage 2. Through having both academic and practical significance the research contributes to the body of understanding of processes involving cultural factors and the marketing of SMEs in GCC countries, with specific reference to advertising. There is significance for the development of specific policy measures to aid this process. This research builds on previous studies identified in the literature review and provides knowledge about different cultural factors involved in the marketing of SMEs. There may be the development of specific initiatives in which SMEs in GCC countries have access to the benefits of identified cultural factors at the most relevant level.

Research strategies in this study are therefore based on quantitative methods. Adoption of such methods followed sequential procedures in which a quantitative study was undertaken to investigate the relationship between marketing and culture for SMEs in GCC countries. During the research, quantitative data were analysed. Main features were explained in both the questionnaire and cluster analysis studies, and were then considered in relation to the literature in order to triangulate the results.

RESEARCH FINDINGS

In order to analyse the data and the results of the research a cluster analysis was used, involving the grouping of data as clusters with groups which were more similar to each other than those in other groups. A common denominator was the group of data objects. With this research a simple cluster model was used where clusters were modelled based on the group of data objects. Clustering was basically a set of clusters containing objects in the data set. By using a simple cluster model, with grouping of data objects, clusters were defined as objects belonging to the same cluster. Cluster analysis enabled the researchers to partition the data in order to understand the relationships between different groups. The main clusters are defined as follows:

A - "Limited interest and ability"
B - "Interested but crippled"
C - "Interested with demi ability"
D - "Sophisticated but not interested"
E - "Sophisticated and interested"

Analysis of the clusters involved an overview of businesses, marketing practices and an advertising analysis. Subsequently, with regard to the effectiveness of the cultural factors in the marketing of SMEs in the Gulf Cooperation Council countries with special focus on advertising, the findings of the cluster analysis are tested according to hypotheses formulated for the study.

The number of SMEs that consider the culture of the country in their advertisement design is shown in Table 1 below.
Comparative analysis of the number of SMEs that consider the culture of the country in their advertisement design shows that cluster D had the highest percentage (90%), followed by cluster E with 85%, and C with 81%. Clusters with the lowest percentage were B (69%) and A (63%).

Because the findings from the cluster analysis show that 78% of the respondents in the clusters consider the culture of the country in their advertisement design, the culture in the GCC countries appears to have an effect on the advertising of SMEs.

Table 2 below shows the number of SME managers reporting that the company is responsible for advertisement designs in terms of their capabilities to undertake marketing and advertising.

**TABLE 2: Number of SME managers reporting that the company is responsible for advertisement designs in terms of their capabilities to undertake marketing and advertising**

<table>
<thead>
<tr>
<th>Cluster</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>61</td>
<td>22</td>
<td>52</td>
<td>76</td>
<td>59</td>
<td>54</td>
</tr>
<tr>
<td>%</td>
<td>63</td>
<td>69</td>
<td>81</td>
<td>90</td>
<td>85</td>
<td>78</td>
</tr>
</tbody>
</table>

Comparative analysis of the number of SME managers reporting that the company is responsible for advertisement designs in terms of their capability to undertake marketing and advertising shows cluster E had the highest percentage (66%), then cluster E (65%) and cluster A (63%). Lowest percentages were cluster C (43%) and cluster B (33%).

Findings from the cluster analysis show that an average of 54% of the respondents in the clusters have SME managers who report that the company is responsible for advertisement designs as well as marketing and therefore SMEs in GCC countries have capabilities to undertake marketing.

Results of the measurement of the success of advertisements by SMEs in terms of applying (practicing) marketing principles with a special focus on advertising is shown in Table 3 below.

**TABLE 3: Measurement of the success of advertisements by SMEs in terms of applying (practicing) marketing principles with a special focus on advertising**

<table>
<thead>
<tr>
<th>Cluster</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>65</td>
<td>22</td>
<td>48</td>
<td>75</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>%</td>
<td>67</td>
<td>70</td>
<td>75</td>
<td>89</td>
<td>78</td>
<td>76</td>
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</tbody>
</table>

A comparative analysis of the measurement of the success of advertisements by SMEs in terms of applying (practicing) marketing principles with special focus on advertising shows that cluster D (88%) had the highest percentage, then cluster E (78%) and cluster C (75%). Alternatively, Clusters B (70%) and A (67%) had the lowest.

Cluster analysis findings illustrate 76% of the respondents in the clusters measure the success of their advertisements in terms of applying (practicing) marketing principles with special focus on advertising, and therefore SMEs in GCC countries are applying (practicing) marketing principles with special focus on advertising.

Results of whether the marketing manager prepares a report of the success of the advertisements in relation to the surrounding culture are shown in Table 4 below.

**TABLE 4: Marketing manager prepares a report of the success of the advertisements in relation to the surrounding culture**

<table>
<thead>
<tr>
<th>Cluster</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>61</td>
<td>21</td>
<td>43</td>
<td>76</td>
<td>45</td>
<td>49</td>
</tr>
<tr>
<td>%</td>
<td>63</td>
<td>65</td>
<td>67</td>
<td>89</td>
<td>66</td>
<td>70</td>
</tr>
</tbody>
</table>

Comparative analysis as to whether the marketing manager prepares a report of the success of the advertisements in relation to the surrounding culture reveals that cluster D (89%) has the highest percentage followed by cluster C (67%), cluster E (66%) and cluster B (65%). Also, the cluster with the lowest percentage is A (63%).

The findings from the cluster analysis reveal that 70% of the respondents in the clusters have a marketing manager who prepares a report of the success of the advertisements in relation to the surrounding culture. Consequently, SMEs in the GCC countries consider the context in which their advertising takes place: the surrounding culture.
Results as to whether SME owner managers are responsible for advertisement design selection in the context in which advertising takes place in terms of the culture are shown in Table 5 below.

**TABLE 5: SME owner managers responsible for advertisement design selection in the context in which advertising takes place in terms of the culture**

<table>
<thead>
<tr>
<th>Cluster</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>48</td>
<td>15</td>
<td>31</td>
<td>42</td>
<td>29</td>
<td>33</td>
</tr>
<tr>
<td>%</td>
<td>50</td>
<td>47</td>
<td>48</td>
<td>49</td>
<td>42</td>
<td>47</td>
</tr>
</tbody>
</table>

Lastly, the comparative analysis of whether SME owner/ managers are responsible for advertisement design selection in the context in which advertising takes place in terms of culture shows cluster A (50%) has the highest percentage followed by D (49%), C (48%) and B (47%). Also, Cluster E has the lowest percentage with 42%.

It is found from the findings of the cluster analysis that an average of 43% of the respondents’ report that the SME owner/managers are responsible for advertisement design selection in the context in which advertising takes place in terms of culture. Characteristics of the SME owner/managers appear to influence the context in which advertising takes place in terms of culture.

Here we have looked into the analysis of the questionnaires. Since the questionnaire was the main driver for analysis, there was focus on it on the basis that the questionnaire is one of the best data collection tools. Three sections in the questionnaire were analyzed by the researchers. Arising from the first section analysis the characteristics of owners/managers became clear. It was found that they are quite well educated and have received relevant training.

Section two looked at the characteristics of the businesses such as ownership status, number of staff, departments, types of business, amongst others. Most of the managers had no ownership or minor ownership, and about half of the SMEs has a web site for marketing purposes.

Section three of the questionnaire was about marketing, the marketing activities of the SMEs and how they are run. It appeared that most decisions related to the marketing side with the owner or manger. This might be because of the small size of the SMEs or could be budget availability.

This section has categorized the SMEs (in terms of marketing activities) into five clusters as a result of the analysis of the questionnaire. Every cluster represented a number of SMEs based on the analysis of their answers. Investigation was also undertaken into which cluster can be improved in terms of marketing in budgeting, execution and staffing levels which are linked to the five clusters. Overall the questionnaire results have provided findings on what the SMEs are doing in terms of marketing practice and their ability to utilize cultural factors when creating advertising.

**DISCUSSION**

By using the questionnaire distributed among four GCC countries, Qatar, Bahrain, UAE and Oman, this discussion critically considers the findings to discover how important marketing and advertising are to SMEs in these states and if they consider the cultural factors within countries. Also, the role of culture in advertising in the GCC countries has been looked at and whether the companies investigated consider this issue when embarking on an advertising campaign.

First, data analysis and results looked at the general profile of the respondents, on variables including age, country, income and qualification. Important are characteristics such as age and qualifications of respondents as they shape their understanding and, hence, their answers.

Second, there was focus on the business profile of the SMEs surveyed in terms of their ownership status, size, type, turnover, and if they even have a marketing department. The business characteristics are an important indication in relation to whom and what is being surveyed.

After the analysis of the findings regarding the respondents’ characteristics and business profiles, five clusters were created based on the beliefs held by participants concerning the importance of marketing and advertising and their capabilities of carrying out any advertising activities.

There were a total number of respondents in the study of 403. For Qatar the response was 166, (41%) of the total number of respondents, with a survey response from the UAE of 100, (25%) of the total respondents, and from Bahrain it was 99, (25%) of the total number. The smallest number of respondents came from Oman: only 38 (9%) responded from the total number of respondents.

Quantitative research was structured and of the total respondents, 60% had a bachelor’s degree or higher qualification which explains why more than half of the total respondents had received some training (56%). A smaller percentage of respondents (14%) only had a diploma and 25% had a high school certificate. Respondents with less than a high school qualification amounted to only 1%, indicating that the majority of SME owners or workers are well educated.

A small number of respondents answered the question on income and age but those responses do indicate that the majority were on relatively low pay and of a higher age. The findings clearly show, from the business profiles of the companies surveyed in this research, that the majority of the companies were small to medium-sized and almost a quarter (25%) of the companies had 1-5 staff members and a further 57% were medium-sized, having 6-49 staff.

Those SME companies surveyed in this research have shown an understanding of marketing and how important it is with 58% answering that they do have a marketing department. Size of the marketing department depended on the size of the business. Survey results also showed that 53% of the SMEs visited, had managers and other low rank employees who did not have any element of ownership in the business, and only 8% had some sort of ownership. A total of 24% had equal ownership.

The discussion above indicates a major improvement in advertising could happen within SMEs which would lead to a better position for these businesses. It also indicates that a bright future is expected for SMEs if a proper plan is followed.
Objective 3: to determine the characteristics of the SME owner/managers.

By responding to RQ3, this research has investigated the characteristics of SME owner/managers. The findings of the cluster analysis found that a less than significant average number of the respondents reported that the SME owner/managers were responsible for advertisement design selection in the context in which advertising takes place in terms of culture.

Concerning limitations, having undertaken this study in four different countries representing most of the GCC, it was difficult to implement but important for the study to be more comprehensive because of the similarities amongst GCC countries. Even though there are a lot of similarities amongst the GCC countries, conducting this research in four different countries did present some difficulties in the nature of people handling the business. Furthermore, some of each country’s internal regulations affected the response rate.

Regarding recommendations it has been mentioned in the study that all GCC countries are considering SMEs as one way to diversify their economies which mainly depend on oil exports. Such diversification cannot be a success unless SMEs have a good understanding of marketing and practicing advertising in the right way. In addition, this study is a real contribution to knowledge, however, further research is needed to measure the support offered by the GCC countries to SMEs and how they have contributed to the success of SMEs. With regard to policy implications it is important that the GCC countries are clear about, and have the right intention in, supporting SMEs for the benefit of their countries economic diversification.

REFERENCES


The aim of the study was to discover the effect of culture on advertising and found more than one finding in countries that have little academic literature. GCC countries have large oil and gas reserves and are treated as wealthy nations. Such wealth did not exist fifty years ago before the oil price boom in the seventies. Following the oil price boom; development started and wealth was established in the GCC countries. Development has resulted in requests to experts from all over the World to assist in supporting and developing these nations. Consequently, the GCC countries gradually “opened their doors” to different nationalities with different cultures and values, and this has affected the local culture and the conservative culture of the GCC.

Additionally, the different nationalities brought to the countries, the satellite channels and the open space have affected local social life of GCC countries. Associated with booming economies, marketing and advertising are the main market drivers which are affecting demand and sales. Consequently, there should be careful use of advertisements when advertising international brands and products.

A number of findings from this study have answered the main research objectives. These were found from the secondary data collected and from the primary data.

**Objective 1**: to determine the degree of the cultural factors involved in the marketing of Small and Medium-sized Enterprises (SMEs) in GCC countries including Qatar, Saudi Arabia, UAE, Oman, Bahrain and Kuwait.

Clearly, from the research analysis in response to RQ1 there is a positive good response rate for the degree of cultural consideration. With cluster A, the degree of cultural consideration was unlikely, cluster B and C, the response was somewhat likely, and cluster D, the response was neither likely nor unlikely and in cluster E, the response was somewhat likely to consider the culture in any advertisements undertaken.

**Objective 2**: to determine the capabilities of SMEs to do marketing and advertising.

As a general outcome from this research in response to RQ2, a clear gap can be perceived in marketing capabilities and interest. An intention to conduct marketing activities is apparent but the capability is low in many SMEs in terms of specialists, budgeting and planning. Some two thirds of the surveyed groups have low to medium levels of marketing abilities.

Findings from the cluster analysis showed an average number of the respondents with a small significance in the clusters had SME managers reporting that the business is responsible for advertisement designs as well as marketing.

Cluster analysis findings also illustrated that a significant average number of the respondents in the clusters measured the success of their advertisements in terms of applying (practicing) marketing principles with special focus on advertising.

Additionally, the findings from the cluster analysis revealed that a significant average number of respondents in the clusters had a marketing manager who prepared a report of the success of the advertisements in relation to the surrounding culture.


