Attitudes Toward Direct Marketing and Its Regulation: A Comparison of the United States and Japan

Charles R. Taylor, George R. Franke, and Michael L. Maynard

The authors propose that the high-context nature of Japanese communication and the collectivistic nature of Japanese culture have an impact on attitudes toward direct marketing and its regulation. The results of a survey of Japanese and U.S. university students suggest that certain types of direct marketing messages are less effective in Japan than in the United States. The results also indicate a greater willingness by Japanese respondents to support regulation of direct marketing practices. The authors discuss managerial implications of the findings for multinational marketers and advertisers and suggest public policy implications for direct marketing in Japan.

The 1990s saw a significant growth in direct marketing in international markets. Growth has been particularly pronounced in Japan, where direct marketing expenditures were more than 2.2 trillion yen in 1997, a figure nearly double the 1.15 trillion yen reported for 1987 (Japan Direct Marketing Association 1999). This volume makes Japan the number two market for mail-order sales in the world, behind only the United States. Given that the average person in Japan receives considerably fewer direct marketing contacts than the average U.S. consumer, Japan has potential for even more growth (Japan Direct Marketing Association 1999).

Direct marketing does not have a long history as a major channel of distribution in Japan. Substantial growth of direct marketing occurred in the 1970s and early 1980s, when total sales grew at an average annual rate of 10% (Doeble 1993). However, during these decades, direct marketing accounted for just 1% of total consumer sales. Despite a long-standing tradition of in-person shopping at local "mom and pop" stores or department stores and a preference for being able to pick up and touch merchandise before purchase, in the 1990s Japanese consumers became more receptive to direct marketing (Dentsu 1993). Several U.S. direct marketing firms have taken advantage of this trend, achieving significant sales to Japanese consumers. Notable success stories include L.L. Bean, Land's End, Eddie Bauer, and Williams-Sonoma (Komori 1995). The strong yen of the mid-1990s contributed to a further surge in direct marketing sales in Japan from corporations outside Japan. In addition, Japan's recession made many Japanese more cost-conscious. Many items sold by foreign direct marketers are relatively cheap for the Japanese, even after shipping and handling charges (Carlton 1995).

To understand direct marketing and related regulatory issues in Japan, it is necessary to have an understanding of Japanese attitudes and beliefs about direct marketing. The lack of understanding of consumer attitudes and beliefs can lead direct marketers to make offers and appeals that are ineffective, or possibly even offensive, to the Japanese. Thus, the purpose of this article is to compare the attitudes of Japanese and U.S. consumers toward direct marketing and its regulation. In particular, the research will focus on (1) attitudes toward telemarketing, (2) privacy concerns associated with direct marketing practices, and (3) attitudes toward the current level of regulation of direct marketing practices.

An Overview of Regulation of Direct Marketing in Japan

Cultural preferences and standards are an important component of the regulation of marketing practices in Japan (Boddewyn 1988). Largely because of the Japanese distaste for a complex system of legal remedy, the Japanese government has not been nearly as active in consumer protection as the U.S. government. In addition, existing consumer protection law has been poorly enforced in Japan (McLeod and Kunita 1994). Although Japan's Fair Trade Commission operates under many of the same directives as the U.S. Federal Trade Commission, the Japanese Fair Trade Commission achieves a high level of voluntary compliance, and its inquiries are limited by relatively low funding and staffing levels as well as its lack of prominence in Japan's bureaucracy (Herbig and Falumbo 1994). The cultural preference for a less litigious society (Ishikawa and Naganuma 1995) and the limited prominence of the Fair Trade Commission contribute to a situation in which regulation of direct marketing practices in Japan is largely left to the industry itself. The official representative body of the direct marketing industry in Japan, operating as a nonprofit organization with the support of the Ministry of International Trade and Industry, is the Japan Direct Marketing Association (JADMA).

CHARLES R. TAYLOR is Professor of Marketing, Villanova University. GEORGE R. FRANKE is Associate Professor and Reese Phifer Fellow of Marketing, University of Alabama. MICHAEL L. MAYNARD is Associate Professor of Advertising, Temple University. The authors thank the four anonymous JPP&M reviewers for valuable comments on the article.

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Founded in 1983, JADMA's primary mission has been to promote fair trade through a code of commercial ethics in the direct marketing industry. The organization actively promulgates self-regulatory codes that are designed to prevent practices that will be harmful to the long-term health of the direct marketing industry. Some specific mail-order practices that JADMA discourages its members from engaging in include exaggeration of the benefit offered by the product, ambiguous pricing that fails to separate delivery charges, failure to include an estimated time of delivery, and omission of information on how to return the product.

Moreover, JADMA differs from its U.S. counterpart, the Direct Marketing Association, in that it has greater power to enforce its regulations simply by meeting with offenders, whether members or nonmembers. One reason for JADMA's power in this regard is that the persuasive power of corporate peer pressure in Japan often functions as governing law. This typical Japanese approach involving gyoseishido (administrative guidance) effectively creates voluntary self-control by the private sector (Mashima and Katsuya 1996). In general, Japanese companies are prone to resolve disputes through meetings among firms in the same industry, as opposed to filing lawsuits to resolve the disputes (Maeda 1995). The effectiveness of JADMA in enforcing its code also owes to its relationship with the Ministry of International Trade and Industry. Because of the ministry's support, a reprimand from JADMA, though not an official government action, has an impact similar to that of a warning from a government agency. Unlike in the United States, where there is a clear distinction between the moral authority of a nonprofit association and the legal authority of a government regulatory agency, the lines of separation in Japan are somewhat blurred.

Another difference in direct marketing regulation in the United States and Japan is that privacy issues have not risen to the forefront of public attention, largely because of the lack of commercial custom for renting mailing lists to outsiders in Japan (Petison, Ariga, and Wang 1994). The mailing list industry in Japan is not well developed (Rosenfield 1994). Thus, to date, there has been little impetus for the Japanese government to become involved in the regulation of mailing list sales. In contrast, in the United States, there have been several attempts to develop legislation to protect consumer privacy. Although restrictive legislation has not been passed, its threat has led to considerable pressure on the direct marketing industry to engage in fair information practices (Culnan 1995). These practices include allowing individuals to remove their names from mailing lists, informing the consumer why information is being collected, and indicating how personal information will be used after it has been collected. In recent years, it has become apparent that if the industry does not regulate itself, it will face legislative efforts in the future (Culnan 1995). Therefore, to a large extent, the industry is kept honest by the threat of legislation.

Self-regulation has been the norm for Japanese information purveyors in controlling the transmission and migration of private data on consumers. The Japan Credit Card Association, the Japan Mail Order Sales Association, and JADMA have established voluntary standards to deal with the problem of perceived infringements on consumer privacy (Dentsu 1993). Moreover, similar to the proactive stance the U.S. Direct Marketing Association has taken toward privacy protection with its guidelines for ethical responsibility, JADMA has issued a code of ethics on privacy. Essentially parallel to what U.S. guidelines suggest, but phrased in more general language, JADMA's core principles revolve around collection, usage, management, and verification of personal information. In addition, JADMA has established a Mail Preference Service whereby consumers may opt out of having their names included on mailing lists. To date, this service has largely been a public relations effort to assure the public that its privacy will not be invaded, as Japan does not have a well-developed list industry.

The current general regulatory environment in Japan makes it likely that self-regulation will continue to be the dominant force in direct marketing regulation in Japan. Over the past few years, deregulation of business has become a major policy goal of virtually all Japanese government talks, and the pace of deregulation is the only point of contention (Jenkins 1994). The goal of deregulation is to develop a more consumer-oriented society in which the cost of living is lowered (Dentsu 1995, pp. 80–81). To this end, even the long-protected Japanese rice market has been deregulated. Thus, it is highly unlikely that legislative pressure for increased regulation of direct marketing will arise in the near future.

Conceptual Framework

Context

An aspect of culture that is particularly relevant to this study, because it suggests differences in U.S. and Japanese communication patterns, is the contextual level of the culture. As used here, context refers to the level of directness present in communications (Hall 1976, 1987). Hall (1976, p. 79) distinguishes between high-context and low-context communications as follows: "A high context (HC) communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite; i.e., the mass of the communication is vested in the explicit code." Prior researchers have observed that cultures differ in their contextual levels (Hall 1976). Moreover, prior literature indicates that Japan is a high-context culture compared with the United States (Hall 1976, 1987; Takada and Jain 1991). High-context cultures are intuitive and contemplative. They tend to use indirect and ambiguous messages (Miracle, Chang, and Taylor 1992). In contrast, low-context cultures are analytical and action oriented. They tend to use direct, clearly articulated messages.

Several prior studies have suggested that the contextual level of a culture must be considered in developing advertising strategy (Miracle, Chang, and Taylor 1987; Mueller 1987; Takada and Jain 1991). In general, prior studies have suggested that less direct, low-key approaches in which a mood or image is built in an attempt to build a relationship with the audience is appropriate in high-context cultures. In contrast, it has been observed that more-direct messages that expound on explicit product benefits or clearly articulated...
points of differentiation are appropriate for low-context cultures (e.g., Stewart and Purse 1986).

**Individualism/Collectivism**

Another cultural dimension relevant to our study is the level of individualism versus collectivism. As defined by Hofstede (1980, p. 87), individualism refers to "a preference for a loosely knit social structure in which individuals take care of themselves and their immediate families only." In contrast, collectivistic societies are those with tightly knit social structures in which people can expect members of one or more of their various in-groups (e.g., friends, relatives, coworkers, neighbors) to look after them.

Several studies have suggested that advertising appeals need to be modified depending on whether members of the target audience come from individualistic or collectivistic cultures (e.g., Han and Shavitt 1994; Mueller 1987; Taylor, Miracle, and Wilson 1997; Wilcox et al. 1996). In particular, it has been noted that advertisements in collectivistic cultures tend to emphasize interdependence, family relationships, group goals, and concern for others (Wilcox et al. 1996). In contrast, advertisements in individualistic cultures stress uniqueness of the product, independence, success, and personal benefits (Wilcox et al. 1996). Because it has been well documented that Japan is a more collectivistic culture than the United States (e.g., Hofstede 1980), these types of differences may have implications for companies engaging in direct marketing in Japan.

**Hypotheses**

**Attitudes Toward Telemarketing**

By its nature, direct marketing involves making an offer to the consumer (Keegan, Moriarty, and Duncan 1992). Whereas it is possible to make a subtle offer through a medium such as catalogs or direct mail, telemarketing approaches generally do not provide this option. Attempts to make a sale over the telephone involve a one-on-one communication between the seller and potential consumer. In most telemarketing calls, the potential consumer is told about the product or service (and perhaps its benefits) and is asked directly to make a purchase. Thus, telemarketing tends to force the marketer into a low-context communication with the consumer.

It has been observed that the Japanese react unfavorably to low-context marketing communications, which they view as confrontational (Johansson 1994; Miracle, Chang, and Taylor 1992). The Japanese remain averse even to comparative advertisements, largely as a result of the confrontation they engender (Mueller 1987). The low-context nature of telemarketing, in which direct messages stress information and product advantages, may be at odds with traditional Japanese communication patterns. As Lin (1993) has noted, in Japan, detailing product strengths might be taken as an insult to consumers’ ability to judge product attributes on their own. Johansson (1994) has also observed that television commercials themselves are popularly viewed as an intrusion in Japan. As a result, it is not uncommon for the advertiser to convey apologies for this rudeness at the outset of the message. Thus, messages viewed as too forward or aggressive may be offensive to Japanese audiences. Personally delivered messages that ask for an immediate purchase may be especially offensive.

In contrast to the value placed on indirectness in Japanese advertising, commercials that focus on specific product benefits or information can be successful in the United States (Stewart and Purse 1986; Stewart and Koslow 1989). Both Lin (1993) and Ramaprasad and Hasegawa (1992) observe that U.S. commercials tend to be much more informational and direct than Japanese commercials. Such approaches are consistent with the low-context, individualistic nature of U.S. culture but inconsistent with the high-context, collectivistic nature of Japanese culture.

As a result of the cultural differences between Japan and the United States, we predict that there will also be differences in perceptions of telemarketing and its role in society. Thus,

\[ H_1: \] Japanese consumers are less likely to hold favorable attitudes toward telemarketing than U.S. consumers are.

**Privacy Issues**

Privacy issues associated with direct marketing have received a great deal of attention in the United States in recent years (e.g., Goodwin 1991; McCrohan 1989; Nowak and Phelps 1992). The growth in mailing list sales has heightened concern about privacy, as information can often be obtained without the consent of the consumer (Culnan 1995). Consumers have expressed concern about rental of lists that contain information on their age and purchasing habits (Nowak and Phelps 1995). The level of concern in the United States has reached the point at which a significant threat of the passage of legislation that constrains mailing list sales exists (Milne 1996).

Although U.S. consumers would be expected to express concern about mailing list rental issues and invasions of privacy by direct marketers, it is likely that Japanese consumers will be even more sensitive to privacy issues. In a collectivistic society such as Japan, in-groups, such as coworkers, family members, classmates, and neighbors, are particularly important. The Japanese concepts of uchi, "inside," and soto, "outside," are likely to play a role. The uchisotsoto distinction is a central organizational focus in the everyday life of the Japanese (Nakane 1970). Uchi is a familiar world in which psychosocial interdependence is encouraged, whereas soto is an unfamiliar world in which people do not have established membership (Bachnik and Quinn 1994). Anyone not in a particular uchi group is considered soto.

Many interactions in Japan are influenced by the uchisotsoto dynamic of the relationship. In terms of how people are identified and in terms of public/private social interchange, there appears to be a harder line drawn between what is considered inside and outside in Japanese society than in U.S. society. Simply put, the broadest uchi tie (private world) is that of being Japanese, and uchi ties on a smaller scale, such as family, university class, company, and work group, exist as well. That said, the conceptual boundaries of uchisotsoto are fundamentally intense and emerge from a dichotomous perception of social reality.

The importance of privacy is less intense when uchi members interact, because uchi members are expected to
share personal thoughts and feelings. In contrast, when dealing with the *soto* world, privacy—in the sense of maintaining distance from others, in particular—is considered important. As has been discussed, low-context communications are generally viewed negatively by the Japanese. However, discomfort with such communication is likely to be even higher when operating in the *soto* world. Because many direct marketing transactions take place in the *soto* world (unless a prior relationship exists), we expect that the Japanese will express a high level of concern about privacy issues associated with direct marketing. Thus, the more collectivistic and high-context nature of Japanese culture lead to the following prediction:

H₀: Japanese consumers are likely to express a greater concern for direct marketing issues associated with privacy than U.S. consumers are.

**Attitudes Toward Government Regulation of Direct Marketing**

As noted previously, the Japanese traditionally have attempted to limit litigation and government-mediated disputes. However, public attitudes toward regulation must be balanced against distaste for some types of direct marketing messages. Japanese consumers who have been exposed to high-context direct marketing messages or find it uncomfortable to receive sales messages from members of the *soto* may be concerned about some types of direct marketing practices. Thus, we predict that discomfort with direct, low-context communications will offset the traditional Japanese reluctance to strict government regulation.

H₁: Japanese consumers are more likely to advocate strict regulation of direct marketing than U.S. consumers are.

**Method**

**Subjects**

The survey respondents were seniors enrolled at major universities in Japan and the United States. The Japanese respondents were asked to fill out a Japanese language version of the survey, and the U.S. respondents were asked to complete an English language version. In both countries, classes were selected so that approximately one-third of the respondents were liberal arts majors, one-third were communications majors, and one-third were business majors.

Although the use of a sample of student subjects places limits on the generalizability of the findings, it is important to note that the link between education and direct marketing consumption has been well established (Direct Marketing Association 1992). College students therefore represent an important target market for many direct marketers because of both their current and future consumption. Also, the hypotheses are based on cultural factors that apply to all segments of society regardless of age or education. Thus, the student sample enables meaningful tests of the hypotheses (e.g., Lynch 1999).

A course instructor asked students to participate in the survey and gave them extra credit for completing the questionnaire. After the subjects agreed to participate, a member of the research team read the instructions, which were the same in the two countries but were read in Japanese in Japan. To ensure that demand artifacts did not taint the results of the study, the researchers told participants only that they were studying the “current situation in American (Japanese) direct marketing” and did not tell them the purpose of the study. The students then filled out the questionnaire.

A total of 107 usable responses from Japan and 99 usable responses from the United States were available for analysis. No single major represented more than 20% of the sample in either country. The median age of subjects in both countries was 21 years. There was a slightly higher proportion of women in the Japanese sample (54%) than in the U.S. sample (47%). However, analyses indicated that sex-based differences in attitudes toward direct marketing did not significantly influence the cross-cultural comparisons.

**Translation Equivalence**

To ensure the conceptual equivalence of instructions and survey items in the two countries, a translation/back translation process was employed (Andrews, Durvasula, and Netemeyer 1994; Douglas and Craig 1983; Miracle 1988). Two bilingual speakers participated in the translation/back translation process. Following the suggestion of Miracle (1988), one speaker was a native Japanese fluent in English, and the other was a U.S. native fluent in Japanese. The English version of the questionnaire was translated into Japanese by the first person. Then, the second person independently translated the Japanese versions back into English. If the original and back translated versions matched exactly, it was inferred that the middle version (in Japanese) was equivalent to the original English version. When this did not happen, the discrepancy was resolved by consultation with the translators.

**Measurement**

**General Items**

In addition to the data collected to test the hypotheses, we included a few items to assess level of exposure to direct marketing messages. These included questions on (1) whether they or a member of their nuclear family purchased anything through direct marketing channels in the past year, (2) how many pieces of direct mail were received in the previous year, and (3) how many telephone solicitations they had received in the past year.

**Attitudes Toward Telemarketing**

To test the hypotheses, we employed seven-point Likert scales (anchored by 1 = “very strongly disagree” and 7 = “very strongly agree”) to measure the subjects’ reactions to a series of statements. We assessed attitudes toward telemarketing with four statements: (1) “Telemarketing calls are an opportunity to provide feedback to the marketer,” (2) “Telemarketing calls serve a useful purpose,” (3) “Telemarketing is an offensive way to sell,” and (4) “Telemarketing provides a convenient and good way to buy things.”

**Privacy Concerns**

Using the same format, we included three items in the survey to address consumer concerns about privacy issues: (1)
"It is acceptable for direct marketers to sell mailing lists which include my name to other direct marketers," (2) "It is acceptable for direct marketers to make my age available to other companies," and (3) "It is acceptable for direct marketers to make information on my purchasing habits available to other companies."

**Government Regulation of Direct Marketing**

We used two items with seven-point Likert scales to uncover overall attitudes toward the government’s regulation of direct marketing. These items were (1) "The government should exercise more control over sales messages that come in the mail" and (2) "The government should exercise more control over telephone sales messages." These items were designed to assess the general question whether direct marketing practices are adequately regulated.

**Analyses**

Care in translating survey instruments helps ensure that items and response formats have identical meanings across cultures. However, after data have been collected, it is important to establish measurement equivalence (e.g., Andrews, Durvasula, and Netemeyer 1994; Durvasula et al. 1993; Singh 1995). Otherwise, “cross-national differences in scale means might be due to differences between countries on the underlying construct or due to systematic biases in the way people from different countries respond to certain items” (Steenkamp and Baumgartner 1998, p. 78).

Steenkamp and Baumgartner detail a procedure for assessing measurement invariance, given multiple indicators of each construct, with the following steps: (1) Establish that means, variances, and covariances differ across countries; (2) establish configural invariance (i.e., similar patterns of significant and null factor loadings); (3) establish metric invariance (i.e., identical values of the significant factor loadings); and (4) establish scalar invariance (i.e., identical values of the measurement intercepts). Complete invariance is not required. Partial metric and scalar invariance, in which some indicators have different factor loadings and intercepts, enable underlying construct means to be compared across countries as long as two or more indicators of each construct have invariant loadings and intercepts (Steenkamp and Baumgartner 1998). Construct means are compared by setting values for one country equal to zero and estimating values for other countries relative to this benchmark.

Establishing measurement equivalence and testing differences in construct means is done with programs that allow multisample analyses of structural equation models, such as LISREL (Jöreskog and Sörbom 1996). For completeness, univariate tests of individual questions and composite scales may also be performed. As is shown in the following section, results were consistent across analysis methods.

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1Because our hypotheses deal with mean differences rather than relationships among constructs, three other steps in Steenkamp and Baumgartner’s (1998) procedure, which address the invariance of factor variances, factor covariances, and error variances, do not apply here.

2In LISREL (Jöreskog and Sörbom 1996), means of latent variables are denoted as $\mu$. LISREL provides t-tests that show whether $\mu$ is significantly different from zero, which thus compares construct means in particular countries with the values in the baseline country.

**Results**

Reflecting the higher level of development of direct marketing in the United States, 92% of the U.S. respondents and 77% of Japanese respondents reported that they or a member of their nuclear family had ordered through direct marketing channels in the last year. Regarding volume of direct mail solicitations, 77% of the U.S. subjects and 68% of Japanese subjects reported receiving more than four pieces of direct mail per year. For catalogs, the comparable numbers are 80% and 82%, which demonstrates the high penetration of catalogs in both countries. The number of subjects who reported receiving at least five telemarketing calls in the past 12 months was slightly higher in the United States (57%) than in Japan (54%). Collectively, these findings suggest that subjects in both countries had widespread familiarity with direct marketing and therefore were qualified to express attitudes toward direct marketing practices.

Results for assessing measurement equivalence are shown in Table 1. The poor fits in the first three rows indicate that the Japanese means, variances, and covariances differ from their U.S. counterparts. The acceptable fit of the configural-invariance model shows that the items had a similar pattern of factor loadings in both countries. Model fit is significantly worse when items are assumed to have the identical loadings on the underlying constructs in both countries, so full metric invariance is not supported. Allowing different loadings across countries for just one item—direct marketers’ sharing age information with other companies—again yields acceptable fit and establishes acceptable partial metric invariance. The model fits acceptably after the intercepts across countries for all items having invariant loadings are fixed, which establishes partial scalar invariance. No modification indices indicate important problems with model fit in either sample, and as shown in Table 2, all three constructs have at least two indicators with invariant loadings and intercepts. Therefore, the results indicate that construct means can be compared meaningfully across countries.

**H₇: Attitudes Toward Telemarketing**

H₇ predicts that, because of differences in the contextual level of communications characteristic of the two cultures, the Japanese will express less positive attitudes toward telemarketing than will Americans. Supporting this hypothesis, the mean for this construct estimated with Steenkamp and Baumgartner’s (1998) procedure was significantly higher in the United States than in Japan (difference = .66, t = 4.4, p < .01). The t-test results shown in Table 2 confirm this difference overall and for each of its components, namely, respondents’ views on telemarketing as providing feedback, as serving a useful purpose, as being an offensive way to sell, and as being a convenient and good way to buy things.

Japanese students’ negative reaction to telemarketing contacts is consistent with what would be expected on the
basis of the *uchi*/*soto* dichotomy, because telemarketing involves a personal interaction with a member of the *soto* world. Such interactions, particularly if they are expressed in the form of a low-context sales pitch, may well offend Japanese sensibilities. If, because of a prior relationship, the direct marketing company or representative is viewed as a member of an in-group (*uchi*), the perception of an intrusion will be lessened.

**H2: Privacy Issues**

H2 suggests that Japanese subjects will express a higher level of concern with privacy issues in direct marketing than will U.S. subjects. This hypothesis is supported by the analysis of underlying construct means (difference = .89, t = 5.1, p < .01) and by t-tests on both the individual items and their means (Table 2). The Japanese respondents were significantly more likely to express concern about the rental of mailing lists, the availability of information on consumers’ ages, and the availability of information on purchasing habits. These findings support the notion that the sale of personal information such as name, age, and purchasing habits may violate the Japanese view of what is appropriate behavior in the *soto* world. The Japanese have serious concerns about privacy issues; the subjects in this sample even strongly disagreed that the practice of selling mailing lists was acceptable.

**H3: Attitudes Toward Government Regulation of Direct Marketing**

H3 suggests that Japanese students would be more likely to advocate increased regulation of direct marketing. This hypothesis is supported by the LISREL analysis on the underlying construct means (difference = -.94, t = -4.2, p < .01) and by t-tests on the individual items and their means (Table 2). The Japanese subjects were significantly more likely to agree that the government should exercise more control over both direct mail and telemarketing. These results suggest that violations of cultural norms (i.e., the presence of low-context messages) may be a factor leading the Japanese to support additional regulation.

**Discussion**

**External Validity Issues**

Before commenting on specific implications, we reiterate that the use of student subjects places some limits on the generalizability of the sample. As noted by Winer (1999), researchers are well advised to comment on how further research could help increase external validity of their findings. In the case of this study, an attempt to replicate the study on a nonstudent sample that covers a wide range of age groups and income levels would be insightful. If results of the student and nonstudent samples converged, strong support for attitudinal preferences would be provided. If not, the findings would provide insight on age- and income level–based differences in attitudes toward direct marketing. Although the primary focus of this study is attitudes, experimental research varying direct marketing offers on the basis of the offers’ consistency with the cultural variables investigated in this study could also provide important insights for managers.

**Public Policy Implications**

Although implications for policymakers must be drawn with caution because we used a sample of student respondents, the findings suggest that Japanese policymakers and those in the industry would be well advised to pay attention to and monitor attitudes toward direct marketing. In particular, JADMA should pay attention, because it plays a major role in determining policy and practice. If subsequent studies of the wider Japanese population confirm that the attitude of Japanese consumers toward direct marketing is lukewarm, JADMA may benefit from considering a vigorous public
relations campaign that announces a proconsumer philosophy. Evidence of a stronger consumer-oriented perspective might be signaled, for example, through stricter self-regulation of telemarketing practices. Because Japanese subjects report that they view telemarketing as an offensive way to sell and that they are frequently made uncomfortable by telemarketing calls, it may make sense for JADMA to mandate that a direct marketer have permission from the consumer to call before engaging in telemarketing efforts. In this way, cold calling, intrinsically a low-context form of communication, would be eliminated, and marketers would be encouraged to enter the **uchii** world before engaging in telemarketing.

The recent introduction by JADMA of a consumer complaint hotline helps address the concern of establishing an **uchii** relationship. Through the creation of this 24-hour channel of communication with consumers anywhere in Japan, JADMA positions itself as a helpful member of the large yet intimate Japanese family of consumers.

Another implication of the results stems from the finding that the Japanese students have serious concerns about their names being on commercial mailing lists. If this finding applies to Japanese society at large, JADMA may wish to consider strict guidelines pertaining to sales of mailing lists and other personal data inventories. Although pressure is mounting for Japan to develop such lists to facilitate target-

<table>
<thead>
<tr>
<th>Category/Statement</th>
<th>Means and (Alpha Coefficients/Average Interitem Correlations)</th>
<th>[Construct Means], Factor Loadings, and (Composite Reliabilities)</th>
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<tr>
<td></td>
<td>Japan</td>
<td>United States</td>
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<tr>
<td><strong>Perceptions of Telemarketing</strong></td>
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<td>Telemarketing calls are an opportunity</td>
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<td>3.67</td>
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<td>to provide feedback to the marketer.</td>
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<td>4.08</td>
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<td>Telemarketing calls serve a useful purpose.</td>
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<td>2.69</td>
<td>3.40</td>
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<td>Telemarketing is a convenient and good way to buy things.</td>
<td>2.77</td>
<td>3.52</td>
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<td>Reliability coefficients</td>
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<td>(.76/44)</td>
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<td><strong>Use of Personal Information</strong></td>
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<td>It is acceptable for direct marketers to sell mailing lists which include my name to other direct marketers.</td>
<td>1.85</td>
<td>2.75</td>
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<td>It is acceptable for direct marketers to make my age available to other companies.</td>
<td>1.74</td>
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<td>It is acceptable for direct marketers to make my purchasing habits available to other companies.</td>
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<td>Reliability coefficients</td>
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<td><strong>Government Regulation</strong></td>
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<td>The government should exercise more control over sales messages that come in the mail.</td>
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<td>2.86</td>
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<td>Reliability coefficients</td>
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<td>(.80/67)</td>
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*Average correlations between the items in each scale are shown to complement the alpha coefficients, as suggested by an anonymous reviewer.

Tests compare the construct means across countries and show whether factor loadings are significantly different from zero. Factor loadings are identical in both countries (metric invariance) except for one Personal Information item (partial metric invariance).

Reverse coded.

*np < .05.

**p < .01.

Notes: Response scale is 1 = "very strongly disagree," 7 = "very strongly agree." Japanese n = 107 and United States n = 99.
ing consumers, our preliminary findings suggest that the sale of such information, especially on purchasing habits, may be bothersome to some Japanese. If the results prove to be generalizable, JADMA may need to become actively involved in ensuring that any emergent mailing list industry does not violate consumer sensibilities.

At a more general level, our results suggest that people in high-context, collectivistic societies may have more concern about certain direct marketing practices, such as selling products over the telephone and renting mailing lists. Thus, similar issues might be expected to arise in studies of countries such as Korea, China, and even Spain and Portugal, which are more collectivistic and have higher contextual levels than the United States (Hall 1976; Hofstede 1980). However, more research is needed to verify this preliminary finding.

Managerial Implications

If the results of this study prove to be representative of Japanese society as a whole, they suggest several hints for direct marketers attempting to appeal to consumers in the high-context Japanese environment. One hint is to avoid the use of low-context (i.e., bold and direct) communications if the Japanese consumer perceives the direct marketer to be part of the soto world. Instead, it may be beneficial to attempt to develop an insider (uchi) relationship with the consumer, because the essentially low-context nature of traditional direct marketing communications might be superseded by the strong emotional bond created by uchi. Even foreign marketers such as L.L. Bean have thrived in Japan by building a close relationship with their consumers. One way L.L. Bean has fostered this insider relationship with the Japanese is through the establishment of retail outlets in Japan. In this way, customers can come in and pick up and hold the merchandise in their hand—a tactile Japanese consumer preference that seems to engender a closer (uchi) selling relationship (Dentsu 1993, pp. 63–69).

The results also suggest that marketers should exercise caution when they engage in telemarketing in the high-context Japanese society. Cold calling, inherently a low-context communication with a stranger, conflicts with the high-context nature of Japanese communications. Because cold calling takes place in the soto world, low-context messages are likely to be ineffectual.

Here, the uchi concept may be expanded on in terms of Hall’s (1976) notion of proxemics, or interpersonal distance. Hall indicates that from the innermost core of the self, rings of concentric circles emanate outward from personal distance to social distance to public distance. The boxes-within-boxes metaphor, aptly described as the “wrapping principle,” captures the anthropological conceptualization of how the Japanese tend to group things (Hendry 1990). Perhaps telemarketing—particularly a call from a stranger—is perceived to violate the somewhat enlarged personal distance the Japanese maintain around the self (Sussman and Rosenfeld 1982). In contrast, direct mail, a much less intrusive form of interpersonal communication, may fall conceptually somewhere between the circles of social and public distance and therefore would not be as threatening to the Japanese sense of uchi as an unwanted telephone call. Further research is warranted to investigate whether and to what extent this distinction applies to Japanese consumers in general.

Conclusion

The Japanese students surveyed here indicate a desire for regulation of direct marketing. Issues related to privacy and the sales of mailing lists appear to be important to the respondents. In addition, distaste for telemarketing practices leads the Japanese students to support more stringent regulations on telemarketing. To avoid the possibility of more stringent regulations, both Japanese and multinational marketers selling products in Japan must be sensitive to Japanese cultural norms. Subsequent research is needed to assess the generalizability of these findings to Japanese society at large and to other collectivistic and high-context cultures. In addition, a longitudinal study at some point in the future examining whether the attitudes found in this study remain constant over time would be useful.

An implication of these findings for multinational marketers is that they should strive to create an uchi relationship with their Japanese customers. Accordingly, unless a relationship has already been established with a customer, telemarketing would be an inappropriate channel. For newcomers to Japan, especially when their names are little known, telemarketing efforts are likely to be counterproductive. Given the interpersonal nature of telephone communication combined with the Japanese reluctance to say no to somebody directly, telemarketing from an unknown source to a Japanese household may be considered both intrusive and rude.

References


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