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COMM441

See last page.

Adopt-A-Market: Marketing Health Supplements in Turkey

Introduction to the market

Turkey is situated in southeastern Europe, south of the Black Sea. It touches on both Middle Eastern countries such as Iran, Iraq, and Syria and European countries such as Greece and Bulgaria. For this reason, it is sometimes referred to as the gateway to the Middle East economically and physically.¹ The land area is 780,580 km².² The capital city is Ankara, and Istanbul and Izmir are other major cities.

Modern day Turkey was created out of the Muslim Ottoman Empire in 1923 by Mustafa Kemal Ataturk, who took the surname Ataturk meaning “father of the Turks.” Since then, Turkey has continuously attempted to be accepted into the European community, and distance itself from what it interprets as Arab “backwardness”. In Turkey, Kemal Ataturk is revered as such a hero that it is illegal to deface any picture or statue, or even speak poorly of him.

While the rate of inflation had been quite high during the 1990s, a responsible fiscal policy and management by the national bank has led to a great decrease in inflation from 70% in 1992 to the single digit range during 2005.³ Currently it stands at 8.756%, compared to Canada at 2.146%. This new economic stability brings new opportunities for safe investments because of the security of the ability to maintain the value of the investment. Although Turkey has a slower growth rate compared to the rest of emerging Europe, this is partly attributable to its strong currency.⁴

The OECD has recently upgraded Turkey's risk classification from 5 to 4, which has the implication that the country's credit rating will also be upgraded from its current S&P BB- standing.⁵ Other good news includes that the IMF predicts Turkey will rise to become the world's 16th biggest economy by year 2013.⁶ In terms of business issues, Turkey has increased its standing among 178 countries to become a healthier environment for economic growth.⁷ Ease of starting a business, paying taxes, trading across borders and enforcing contracts has increased in the past year.⁸ According to the World Bank's Data & Statistics for Turkey, the average time required to start a business is only 6 days.⁹

There are 70 million people living in Turkey, of which approximately 25 million are in the work force.¹⁰ The average age in Turkey is 28.3 years.¹¹ Ages 0-14 years comprises 25% of the population and 15-64 age group comprises 68% of the population.¹² The population growth rate is 1.04%.¹³ Eighty percent of the population is Turkish, and approximately 20% of the population is ethnically Kurdish. The official language is Turkish, although Kurdish is also common in some areas.¹⁴ The state is secular, but the most widespread religion is Sunni Islam. Indeed, it is almost impossible to discuss Turkish society without including a discussion of Turkish Sunni Islam. Although 99.8% consider themselves Muslim, it is often only the rural people that identify their loyalty to Islam before their loyalty to the state (35.2%).¹⁵ Fifty-three percent consider themselves first-and-formost as Turks.¹⁶ Turks are extremely proud of their country's history and achievements.¹⁷ They are generally unified in their belief that the "Turkish nation is one of the oldest, most famous, honourable and exalted nations in the history of mankind."¹⁸

In Turkey, education is viewed as an important tool of self-advancement. Every year, 400,000 students graduate from one of over 116 universities.¹⁹ Approximately 730,000 students graduate from high schools each year.²⁰ Since 2004, approximately 95% of Turks aged 15 and older are literate.

Contemporary Turkish society is comprised of a “large, mature, urban middle class,” in which there is a “strong growth of prosperity.”²¹ There is a strong culture of liberalism, combining both Islamic and European cultures. Because of the Islamic component of Turkish culture some European states object to the inclusion of Turkey in the European Union; however, the “materialistic, scientific, and secularized worldview” that Turkey maintains means that Turkey should not be excluded solely on this basis.^{22,23}

On Geert-Hofstede’s cultural dimensions, Turkey ranks 70 for power distance. This means that Turkish people accept that there will be an inequality in power distribution, and that both those with power and without are safe within the hierarchy. Turkish society has a relatively high degree of social pluralism, meaning that there are accepted classes of lower, middle, and elite economic groups:

Class distinction is visible in parts of the business world, more visible as rich and poor in some cases.^{24 25}

Education, age, and knowledge are highly respected, and those with less do not usually give their opinion without being prompted by those higher on the hierarchy.²⁶ Respect for seniority is an important aspect of Turkish culture.

On the scale of uncertainty avoidance, Turkey ranks 80, meaning that Turks will act cautiously and traditionally in respect to decision making.²⁷ Turkish people are “are quick to seize every opportunity; and on the other hand, there is a tendency to be very

traditional and resistant to change.”²⁸ Display of emotions, stress, and anxiety are also characteristic of societies high on a scale of uncertainty avoidance.²⁹

Individuality is ranked moderately at 32.³⁰ This means that the in-groups have a strong impact on the individual, and the society leans towards a collectivist attitude. The family unit in Turkey is extremely important, and individuals are expected to fulfil numerous obligations to parents, siblings, and extended family:

In Turkey, the family comes first. This includes the extended family, which is an important part of the family unit. It is not uncommon for married children to live in their parents' household until they become self-sufficient.³¹

Family is “the cornerstone of society” and due to their religious past Turks have “respect for (traditional) standards and values.”³² Obligations to friends are also highly emphasized, and Turks are often distrusting of strangers (those outside of family and friends) until two or three meetings have taken place and a personal relationship has been established. Spending time and effort on becoming part of an in-group entails sacrifices and obligations, but members are rewarded with certain privileges and trust because it increases the ease with which one can interact.³³ The business impact of this is that “promotions are... decided based on one’s personal performance and connections.”³⁴ The importance of the collective ties in with uncertainty avoidance: relationships become the foundation of loyalty.

Turkish society ranks only 50% on the scale of masculinity.³⁵ There is a balance between assertiveness and decisiveness, and consensus and helping others. This may be partly a result of Ataturk’s creation of a secular state, one in which men and women are valued equally; in Turkey men and women are viewed as equals in the family, rather than

having the traditional roles assigned by Muslim tradition.³⁶ The equality of the masculine and feminine dimensions shows that Turkish society finds a balance between living for work, and working to live. This corroborates the importance of both the value placed on business as well as the connection to the family.

Marketing Health Supplements in Turkey

Product Analysis

Products consist of three levels: the core product, the actual product, and the augmented product.³⁷ The product that is being recommended in this paper for introduction into the Turkish market is health supplements. In the case of vitamin, mineral, and other health supplements, there are several core products. People do not buy vitamins; they buy health. Core benefits are a sense of well-being, youth, increased immune system, and an increase in athletic performance. Included in a product are features, which are the actual supplements that allow for the core benefit to be achieved. While the supplement itself is important, it is mainly focussed on in such high-priced, elite-quality products such as Usana. Quality claims will appeal to the value perceived, but there is little actual difference between mass-marketed brands such as Jameison or Natural Factors. Package design appeals to aesthetics and should reflect the core benefit being promoted to the Turkish market, that is, well-being and health. Brand name is important because of the positive or negative footprint which is created in the mind of the consumer. Especially important, although often ignored in the consumer health industry, are the relevant details of the augmented product: product delivery, after-sale service and customer care.

In Turkey, the interest in vitamins and other health supplements has been increasing dramatically in the last few years, due to the passing of the country's Food Law.³⁸

“As the bureaucracy surrounding natural products continues to diminish in Turkey, it is creating tremendous demand for high-quality, efficacious ingredients...”³⁹

Areas of interest include women's health, men's health, children's health, cardiovascular health, and maintenance of a healthy weight. Opportunities also arise as a result of the culture's affinity for managing health problems with natural remedies.

In order to successfully market health products in Turkey, one should keep in mind the emphasized cultural aspects: low individualism and high degree of uncertainty avoidance. The aspect of low individualism is important when marketing health supplements to Turkey, and the market segment targeted should be those who are in the age group between university graduation and middle age. These are the group members who can be targeted for a range of health products.

There will be two areas of focus in creating value for the customer. First of all, in such a family oriented society, parents are concerned about the health of their children and will be the consumer of children's vitamins, and prenatal vitamins bought by concerned husbands and mothers-to-be. Because of the family responsibilities of the target market, specific men's and women's supplements should be introduced, and the success would come in the promotion of helping one have vitality to function as a strong component of the family unit. The second focus of the marketing strategy should be marketing to those who have a desire to become part of a certain in-group. Weight loss is a popular reason for use of health supplements, as differences between one and his or her peers can lead to a feeling of exclusion. As Turkey becomes more economically developed, obesity is more and more prevalent so this market segment is growing. It would be likely to see consumers using weight loss supplements as a means to fit in, rather than stand out. As with all health supplement marketing strategies, there will be focus on athletic performance. Turkey is a society that is passionate about group sports

such as soccer and wrestling (which is a traditional sport in Turkish culture) and this can be used in special advertising campaigns among sports fans and fitness enthusiasts.

A high degree of uncertainty avoidance means that the Turkish consumer is more likely to remain loyal to traditional concepts. The goal in marketing will be to guide the consumer with before- and after-care. Before purchase, the consumer should be educated about the products and benefits, and this would be done most effectively by sponsoring educational health-focussed spots on television. Turkish people are still relatively unaware of how to use health products, and get most of their education about them through television.⁴⁰ At the point of sale there should be personal guidance and needs evaluation from educated staff in order to alleviate anxiety caused by the newness of the product. Salespeople should focus on the relationship created before the sale to create trust, as there is often scepticism about product claims. After the sale, customers should be counselled on the use of the product.

In marketing health supplements to Turkey, care should be taken not to over-emphasize an elite-quality as the differentiator. This is because in Turkey many items are bought in markets, and Turks are accustomed to getting a deal on their purchase. Quality should be emphasized, but if care is not taken the market segment may perceive that the price will be too high, and the product will be perceived as “out of reach” for the average consumer even if it is priced fairly. Also for this reason, stores should not be placed in shopping malls, which are still seen as outlets for famous (expensive) brand names, and rather should be sold in shopping districts which are easily accessible to the average member of the target segment.

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¹⁶ Netherlands Scientific Council for Government Policy, p162.

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