IMPACT OF CULTURAL DEXTERITY ON BUSINESS PERFORMANCE: STUDY OF INDIAN COMPANIES IN GLOBAL MARKETS.

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Abstract -

Cultural dexterity—defined as an organization's ability to understand, adapt to, and localize across diverse national cultures—has emerged from sidelines to critical determinant of international business success. Such a premise of direct co-relation of Cultural Dexterity competence to Business performance has to be tested by a primary research, along with a proposed Cross cultural difference measuring scale using Culture Dexterity model proposed in this journal. While global literature documents the relationship between cultural adaptation and performance for Western multinational corporations (MNCs), empirical evidence from Indian MNCs remains limited. This study addresses this gap by examining the impact of cultural dexterity on business performance among Indian companies operating in foreign markets, with specific reference to India (domestic market) and Saudi Arabia (foreign market). Using primary data collected 417 respondents across India & Saudi Arabia, through the Culture Wizard (CW) Model dashboard and secondary performance data sourced from AC Nielsen reports (2018–2023), the study measures consumer cultural differences, employee cultural differences, and corresponding cultural adaptation scores. The findings reveal statistically significant cultural differences between domestic and foreign markets and a strong positive correlation between cultural adaptation and business performance. The results empirically establish that Indian MNCs demonstrating higher levels of consumer and employee cultural adaptation achieve superior financial outcomes in foreign markets. The study contributes a structured cultural localization theoritical framework that can serve as a strategic template for Indian MNCs and globalizing startups.

Keywords: *Cultural Dexterity, Cross-Cultural Localization, Indian MNCs, Business Performance, Global Markets*

1) Introduction - The rapid internationalization of Indian multinational corporations has intensified the need to understand non-market factors influencing global business performance. Beyond technological, financial, and marketing capabilities, cultural dexterity has emerged as a decisive yet under-explored determinant of international success. Cultural dexterity refers to the ability of firms to adapt products, people practices, and organizational behaviors to align with local cultural expectations while preserving core organizational values. This research is motivated by two interrelated factors. First, the author's professional experience across Indian and multinational corporations—such as Marico, Dabur, Emami, IFFCO, ITC, and P&G—reveals repeated instances where insufficient cultural adaptation resulted in initial business failures, followed by significant turnarounds once localization strategies were implemented. Second, recent global scholarship (e.g., Molinsky, 2023; Solomon & Schell, 2022) highlights cultural adaptation as a critical driver of international performance, yet largely restricts empirical analysis to American MNCs. Despite India's growing footprint in global markets, there is a conspicuous absence of systematic primary research measuring cultural differences and cultural adaptation among Indian MNCs and empirically linking them to business outcomes. This study seeks to bridge this gap by quantitatively measuring cultural scores and adaptation levels for Indian MNCs and establishing their relationship with business performance in foreign markets.To sum, there is a research gap - in terms of absence of primary research on Culture Score for Indian MNC stepping from domestic to foreign market, and establishing the correlation of "Cross- Cultural Localization" with business performance.

2) Current Research & Research gaps
A review of existing literature reveals three major gaps. First, there is limited quantitative measurement of consumer and employee cultural differences for Indian MNCs across domestic and foreign contexts. Second, while cultural adaptation models exist for Western MNCs, their empirical application to Indian firms remains largely unexplored. Third, there is a lack of integrative frameworks linking cultural adaptation scores directly with objective business performance indicators. Addressing these gaps is critical for both academic and managerial communities. From a theoretical perspective, the study extends cross-cultural management literature to emerging-market multinationals. From a practical standpoint, it provides Indian MNCs and startups with an evidence-based framework to assess cultural readiness and design effective localization strategies prior to global expansion.

3) Literature Review -
Extant literature consistently emphasizes the importance of cultural competence in international business success. Molinsky's (2023) Global Dexterity framework underscores behavioral adaptation across cultures, while Solomon and Schell's (2022) Culture Wizard model operationalizes cultural differences across consumer and employee dimensions. However, these frameworks predominantly draw on Western organizational contexts.
Case studies such as Walmart's failure in Germany and India, and Indian firms' mixed outcomes in Middle Eastern markets, further illustrate the consequences of neglecting cultural signals. Indian MNCs that succeeded abroad—such as Dabur and Marico—did so primarily through culturally localized product portfolios and people management practices. Nonetheless, these insights remain largely anecdotal, underscoring the need for empirical validation within the Indian MNC context.
a) Cross-cultural management — conceptual anchor and recent directions
Classic work treats culture as a constraint that must be managed, while more recent work takes a critical and relational turn — focusing how culture is a core contributor to business growth. Learning : treat cross-cultural management as both as set of firm practices and a contextual moderator that determines whether cultural dexterity translates into measurable business outcomes
b) Internationalization strategy — theory and links to cultural capability
Two enduring theoretical anchors are the Uppsala process (liability of outsider-ship) and the Resource-Based View (RBV) (firm capabilities explain sustained business advantage in foreign markets). Learning : position cultural dexterity as a firm capability (RBV lens, that reduces liability of outsidership and improves ability to operate in markets with
c) Key peer-reviewed studies (select, high-impact starting points)
Ang, S., & Van Dyne — foundational CQ measurement and review (concept + scale).
Rockstuhl, T., et al. — CQ meta-analytic synthesis and theoretical extensions (nomological network).
Schlaegel, C., & others — meta-analysis linking CQ to work outcomes (robust evidence on performance links).
Johanson, J., & Vahlne, J.-E. (2009) — Uppsala internationalization process model revisited (network/outsidership emphasis).
Barney, J. (RBV literature; classic source on capabilities → advantage).
Martín, O. M., et al. (2022) — foreign market entry knowledge & SME international performance (mechanisms).
d) This literature review helps us theorize Cultural Dexterity as a firm-level capability built from: (a) employee cultural adaptability score (b) Consumer cultural adaptability score - and co-relate with business performance. This works better than earlier anchor of RBV and Uppsala/revised models

4) Research Objectives & Hypothesis.
Research Objectives
1. To measure consumer "Cultural difference score" using CW model between domestic and foreign markets for Indian MNCs.
2. To measure employee "Cultural differences score" using CW model between domestic and foreign markets for Indian MNCs.

3. To examine the relationship between "Cultural Dexterity - Consumer adaptation score" and business performance.
4. To examine the relationship between "Cultural Dexterity - Employee adaptation score" and business performance.

Research Hypothesis
- H01: There is no significant difference in consumer cultural scores between domestic and foreign markets.
- H02: There is no significant difference in employee cultural scores between domestic and foreign markets.
- H03: Consumer cultural adaptation is not significantly related to business performance.
- H04: Employee cultural adaptation is not significantly related to business performance.

5) Research Methodology -
Research Design - Population - Consumers and Employees of Indian MNC in domestic (India) and one foreign country (Saudi Arabia). Limitation – Only home (India) and one foreign country (Saudi Arabia) chosen for study & purposive sampling was used due to lack of resources to collect primary data legally on this sensitive subject in foreign market. Purposive Sampling done from Indian MNCs Consumers and Employees in India (domestic) and one foreign country (Saudi Arabia) handpicked sample of 417 respondents on Primary research using Culture Wizard Dashboard © by Solomon & Schell.
Sampling frame - 417 respondents responding on online primary survey using CW model scale. The method used is Purposive sampling due resource constraint & legal issues involved, since the respondents to take permission from their firms to respond to questions in both India and foreign market (Saudi Arabia).
Population - Consumers and Employees of Indian MNC in domestic (India) and one foreign country (Saudi Arabia). Limitation – Only home (India) and one foreign country (Saudi Arabia) chosen for study & purposive sampling was used due to lack of resources to collect primary data legally on this sensitive subject in foreign market. Purposive Sampling done from Indian MNCs Consumers and Employees in India (domestic) and one foreign country (Saudi Arabia) handpicked sample of 417 respondents on Primary research using Culture Wizard Dashboard © by Solomon & Schell.
Reliability analysis was carried out to test the internal consistency of the questionnaire items by **Cronbach's Alpha to assess whether the items within a construct were measuring the same underlying dimension**. The result showed that the scale's reliability statistics, with a Cronbach's alpha score of 0.851 for 30 items. This score is higher than the usual cutoff of 0.70, which means that the items are very consistent with each other.
Process -
Measure Dexterity: Use CW model © scale to measure culture difference score (consumer culture) and culture difference score (employee culture) and estabilish that the difference significant enough to demand adaptation - for five Indian MNCs in India and one foreign market.
Measure Culture Adaptation - Use CW model © to measure firm's employee adaptation and firm's consumer adaptation score on scale of 1-5 for five Indian MNCs in India and one foreign market.
Estabilish - Co-relate Culture adaptation score to business performance index using AC Nielson reports.
Analysis - Use T tests, P value and Pearson co-relation score to test hypothesis and estabilish co-relation between Cultural Dexterity & Business performance of Indian MNCs in foreign turf.
Variables to be measured – Culture Dexterity Score (Consumer & Employee) , Culture Adaptation Score (Consumer & Employee), and Business Performance index.
Steps -
Step 1 – CW Model Dashboard based Primary research with Consumers, which has Semantic differential scale 1-5, for four consumer culture variables as below. Cultural Wizard Model © for "Consumer Culture Score" - is a Semantic differential scale dashboard to be used for Consumer rating on scale 1-5 for a "Culture Score" with two defined semantics as left end and right end. There are four key variables in this model to be used in Primary research namely Consumer Liking, Consumer Style, Consumer Outlook and Consumer need. h are also Eco friendly (Score 5).
Step 2 : CW Model © Dashboard based Primary research with Employees, which has Semantic differential scale 1-5, with two defined semantics as left end and right end. Communication Styles -The way societies communicate refers to whether brevity or detail is valued in a communication. The left end of Scale in Informal Communication (Score 1) and right end is Direct Communication (Score 5).Change Acceptance - The perception how much comfort with change, risk taking and innovation. Left end is Change Averse and right end Change Tolerant (Score 5).Authority – The way people view authority and power how much they differ to people in authority. Left side of the score is hierarchical (Score 1) and the right side of the scale is egalitarian (Score 5).Group Focus – Whether people see accomplishment as achieved through individual effort or collective effort or whether they identify themselves as individuals Left end of scale is Individual approach (Score 1) and right end of scale is Score 5). Relationship - The importance and time devoted to building relationships. Left end of Scale is Transactional or temporary (Score 1) & Right end of Scale is Interpersonal or long-term relationship (Score 5). Time Orientation – The degree to which people give significance to time. Left end of scale is Low Time Significance (Score 1) and right end of scale is High Significance of Time expected from others & self (Score 5). Work Life Balance - Left end of scale is Motivation only in Life (Score 1) and right end of scale is Motivation for Work- Life Balance (Score 5).
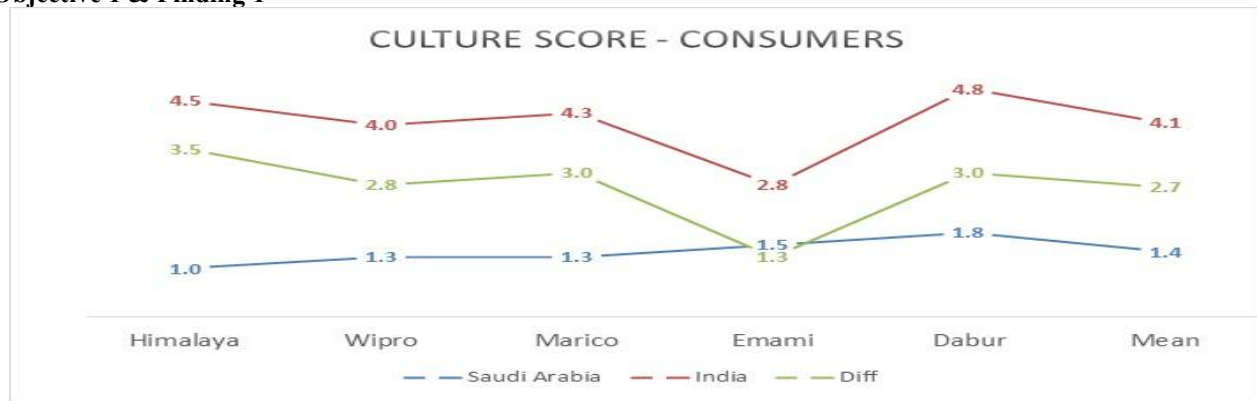**Step 3** - Measure the "Culture Adaptability score- Consumer" of Indian companies in home and a foreign country. Cultural Wizard 2023 © Model Dashboard based Primary research, and then business performance* is taken from AC Nielson 2018-2023 business report. The scale starts on left with Non-Adapted (Score 1), Minor Adaption (Score 2),

Major Adaptation (Score 3), Significant Adaptation (Score 4) and Perfect Adaptation (Score 5). The null hypothesis is tested with Pearson Co-relation Co-efficient which should positive and 0-.99

Step 4 Measure the "Culture Adaptability score- Employee" of Indian companies in home and a foreign country. Method 4 - Measuring "Employee Culture Adaptation" score through Culture Wizard © dashboard measuring business performance* from AC Nielson 2018-2023 business report as tabled under. The scale starts on left with Non-Adapted (Score 1), Minor Adaption (Score 2), Major Adaptation (Score 3), Significant Adaptation (Score 4) and Perfect Adaptation (Score 5). The null hypothesis is tested with Pearson Co-relation Co-efficient

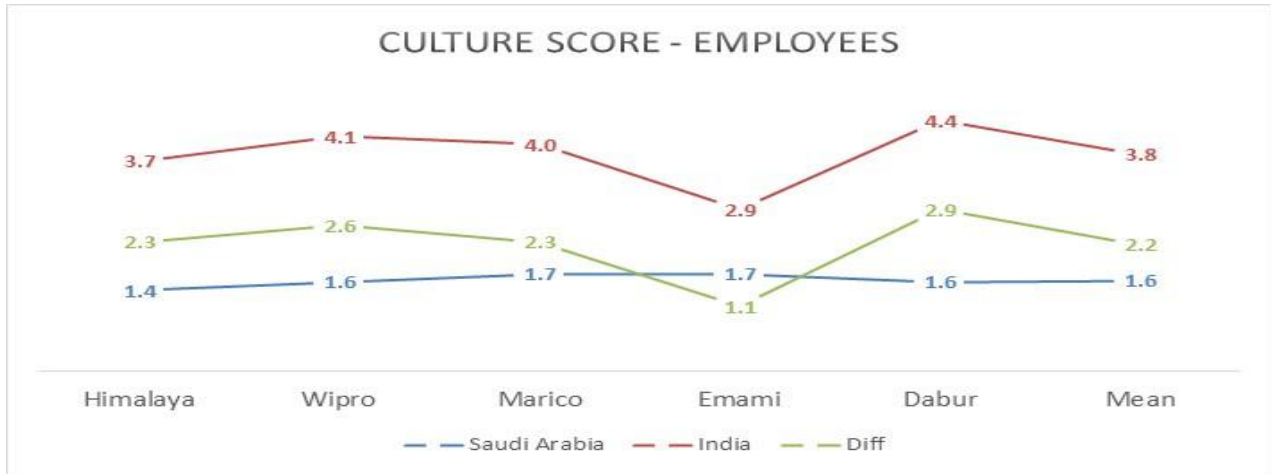## 6) Key Research Findings by Objectives -
Objective 1 & Finding 1

CULTURE SCORE - CONSUMERS

	Variables	Method	0-1	1-2	2-3	3-4	4-5
1	Culture Difference Score (1-5)	CW© Model Questionaire	Non Significant	Fairly Significant	Highly Significant	Critically Significant	Exceedingly Significant

Model © CultureWizard Model	Primary rese		Himalaya			Wipro			Marico			Emami			Dabur			Mean Product Culture Scor		
			Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff
Cultural Diff Score- Consumers	1	5																		
Consumer Liking	perficial Beau	ellness Beau	1	5	4	1	4	3	1	4	3	1	3	2	1	5	4	1	4.2	3.2
Consumer Style	Oriental	Modern	1	4	3	2	4	2	1	4	3	1	3	2	2	5	3	1.4	4	2.6
Consumer Outlo	Look Good	Feel Good	1	5	4	1	3	2	2	5	3	2	2	0	2	5	3	1.6	4	2.4
Consumer Cultu	Conservative	Liberal	1	4	3	1	5	4	1	4	3	2	3	1	2	4	2	1.4	4	2.6
Mean Score	Classical	New Age	1.0	4.5	3.5	1.3	4.0	2.8	1.3	4.3	3.0	1.5	2.8	1.3	1.8	4.8	3.0	1.4	4.1	2.7

The "Cultural difference score- Consumer" across Indian MNCs for India & Saudi Arabia are significant & consistent with mean score of 2.7 (Highly Significant) calling systematic product transformation for Indian MNC in foreign market based on consumer insights and these survey results. The Cultural difference score is in range from Himalaya 3.5 (Critically Significant), Wipro 2.8 (Highly Significant), Marico 3 (Critically Significant). Emami 1.3 (Fairly Significant), Dabur 3 (Critically Significant). Emami is the only exception, due to cultural profile of its consumers in India and Saudi Arabia are largely labor class. The P value is <0.05 (0.02) which rejects null hypothesis and accepts that Cultural Difference is Significant calling major localization.
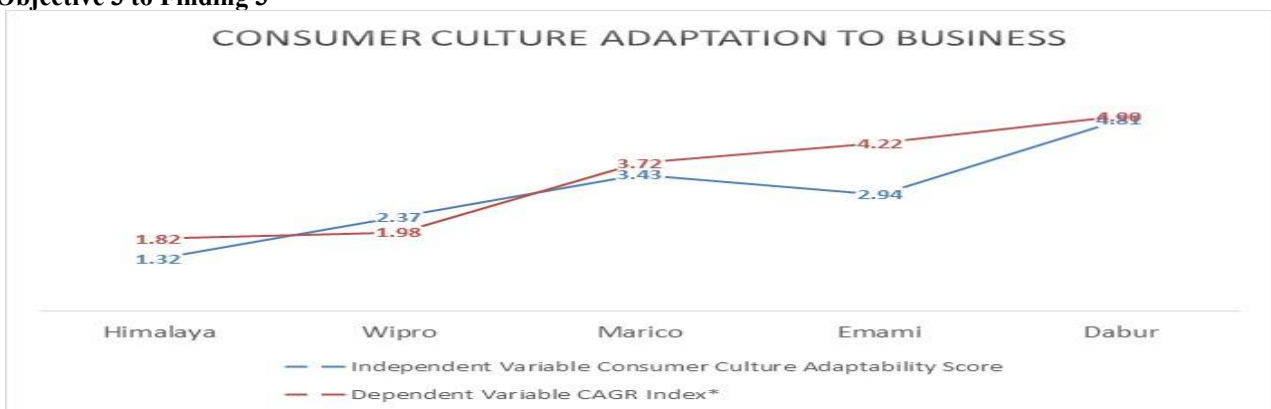
Objective 2 to Finding 2 –

CULTURE SCORE - EMPLOYEES

	Variables	Method	0-1	1-2	2-3	3-4	4-5
1	Culture Difference Score (1-5)	CW© Model Questionaire	Non Significant	Fairly Significant	Highly Significant	Critically Significant	Exceedingly Significant

			Mean Scores through Primary research CW Model © dashboard																		
Model © CultureWizard Model		Primary Rese	Himalaya			Wipro			Marico			Emami			Dabur			Mean People Culture Score		
Cultural Diff Score- Employees	1	5	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff	Saudi Arabia	India	Diff
Communication	Informal	Direct	1	3	2	1	4	3	1	4	3	1	3	2	2	5	3	1.2	3.8	2.6
Change	Averse	Tolerant	2	4	2	2	4	2	2	4	2	2	3	1	2	4	2	2	3.8	1.8
Authority	Hierarchial	Egalatarian	1	3	2	2	3	1	1	3	2	2	3	1	1	3	2	1.4	3	1.6
Group Focus	Individual	Team	1	5	4	1	5	4	2	5	3	2	3	1	1	5	4	1.4	4.6	3.2
Relationship	Transactional	Long Term	2	5	3	2	5	3	2	5	3	2	3	1	2	5	3	2	4.6	2.6
Sig of Time	Low	High	2	3	1	2	4	2	2	3	1	2	2	0	1	4	3	1.8	3.2	1.4
Work Life	Life	Work-Life	1	3	2	1	4	3	2	4	2	1	3	2	2	5	3	1.4	3.8	2.4
Mean Score	Classical	New Age	1.4	3.7	2.3	1.6	4.1	2.6	1.7	4.0	2.3	1.7	2.9	1.1	1.6	4.4	2.9	1.6	3.8	2.2

The "Cultural difference score- Employee" across Indian MNCs for India & Saudi Arabia are significant & consistent with mean being 2.2 (Highly Significant). The Indian score hovers around 2.5 (Highly Significant) except Emami 1.1 (Fairly Significant), hence calling for Adaptation in Employee policy & adaptation in foreign organizational culture in Saudi. The range is from Himalaya 2.3 (Highly Significant), Wipro 2.6 (Highly Significant), Marico 2.3 (Highly Significant). Emami 1.1 (Fairly Significant), Dabur 2.9 (Highly Significant). Emami is the only exception due to highly labor-intensive employee membership in both India and Saudi Arabia. The P value in T test is <0.05 (0.02) which rejects null hypothesis and accept that Cultural Difference is Significant. This calls for major adaptation of employee cultural policy in Saudi Arabia for Indian MNCs
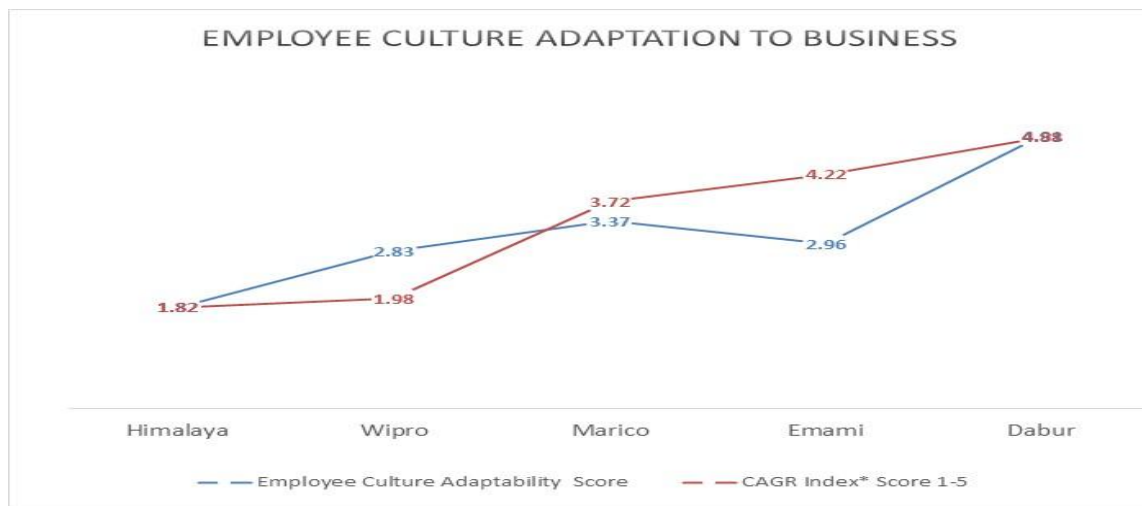
Objective 3 to Finding 3

CONSUMER CULTURE ADAPTATION TO BUSINESS

	Variables	Method	Scores				
			0-1	1-2	2-3	3-4	4-5
1	**Culture Adaptation**	CW© Model Questionaire	Non Adaption to Foreign Culture	Minor Adaptation to Foreign Culture	Major Adaptation to Foreign Culture	High Adaptation to Foreign Culture	Perfectly Adapted
2	**Business Index**	AC Nielson	Low	Minor	Major	High	Perfect

Scores of Indian MNCs are at increasing level of adaption and significant co-relation with business performance* with co-efficient at 0.89. Except for Emami, four others Indian MNCs adaptation score are in line with AC Nielson business index. "Cultural Adaptation Score – Consumer" increases from Himalaya 1.32 (Minor adaptation) on one end to Dabur 4.81 (Perfectly adapted). Pearson Co-relation Co-efficient 0.89 indicates strong co-relation of Cultural Adaptation-Consumer to business performance rejecting the Null Hypothesis.

Objective 4 to Finding 4

	Variables	Method	Scores				
			0-1	1-2	2-3	3-4	4-5
1	**Culture Adaptation**	CW© Model Questionaire	Non Adaption to Foreign Culture	Minor Adaptation to Foreign Culture	Major Adaptation to Foreign Culture	High Adaptation to Foreign Culture	Perfectly Adapted
2	**Business Index**	AC Nielson	Low	Minor	Major	High	Perfect

Scores of Indian MNCs are at increasing level of Cultural adaption. Significant co-relation with business performance* with co-efficient of 0.83. Except for Emami, four others have their adaptation score are in line with business index. Line graphs for Employee Rated People Adaptability Score and AC Nielson Business Index lines (5-year CAGR 2018-2023) show similar patterns (except for Emami as an exception due to high usage among expat Indian labour population). The Pearson co-relation co-efficient is 0.86 which is indication of high co-relation of Culture & Profits rejecting the null hypothesis and establishing the co-relation of Cross-Cultural Adaptation to business performance in foreign market. "Culture Adaptation Score- Employee" increases from Himalaya 1.82 (Minor adaptation) on one end to Dabur 4.81 (Perfectly adapted). Person Co-relation Co-efficient 0.83 which indicates strong co-relation of culture and business & rejects Null hypothesis.

*AC Nielson Business Performance Saudi Arabia as below

Customized Data for Indian MNCs in Saudi Arabia (2018-2023)

CAGR% (2018-2023)	Himalaya	Wipro	Marico	Emami	Dabur
5 year (2018-2023) CAGR %	18.2%	19.8%	37.2%	42.2%	49.2%
5 year (2018-2023) Profit Index %	12.5%	19.2%	32.0%	42.1%	43.7%

BUSINESS INDEX (2018-2023)	Himalaya	Wipro	Marico	Emami	Dabur
5 year (2018-2023) CAGR Index Score 1-5	1.82	1.98	3.72	4.22	4.92
5 year (2028-2023) Profit IndexScore 1-5	1.25	1.92	3.20	4.21	4.37

*Index = CAGR%/50%*5

AC Nielson 2013-2018

Summary of findings-

"Mean Culture Difference –Consumer" for Saudi Arabia & India is 2.7 on scale of 1-5. This score is "Highly Significant" for Consumer Cultural Adaptation for Indian MNCs, giving an action requirement to adapt at each data point of Consumer Culture for Transformed Consumer Rated Product. Further null hypothesis is rejected with P score <0.05 (0.02)."Mean Culture Difference –Employee" for Saudi Arabia & India is 2.2 on scale of 1-5. This score is "Highly Significant for Employee Cultural Adaptation" for Indian MNCs giving an action point of redrafting employee values for foreign market based on local employee needs, at each data point, to come with a Transformed Employee Policy. Further, the null hypothesis is rejected with P score < 0.05 (0.03). Consumer Rated "Culture Adaptation Score" has high co-relation with business performance index, with Pearson Co-relation Co-efficient of 0.89 rejecting the null hypothesis. Employee Rated "Culture Adaptation Score" has high co-relation with business performance index with Pearson Co-relation co-efficient of 0.86 rejecting the null hypothesis. Indian MNCs entering into foreign market should asses culture score of foreign market before entry so that they are ready with Cross - Cultural Localization strategy for business performance. Indian MNCs should consider Cross- Cultural Localization in foreign market as or even more critical than Technical, Marketing, Finance or Logistics in foreign markets as it is established that Cultural Adaptation is co-related to Business Performance. Indian MNCs must use Cultural Wizard Model © to keep co-relating Degree of Culture Localization it with business index using Cultural Wizard Model.

7) Concise findings & discussion
Cultural Difference Scores

Table 1. Mean Cultural Difference Scores (India vs. Saudi Arabia)

Company	Consumer Culture Score	Interpretation	Employee Culture Score	Interpretation
Himalaya	3.5	Critically Significant	2.3	Highly Significant
Wipro	2.8	Highly Significant	2.6	Highly Significant
Marico	3	Critically Significant	2.3	Highly Significant
Emami	1.3	Marginal	1.1	Marginal
Dabur	3	Critically Significant	2.9	Highly Significant
Mean	**2.7**	**Highly Significant**	**2.2**	**Highly Significant**

Independent sample t-tests confirm that cultural differences between domestic and foreign markets are statistically significant ($p < 0.05$), leading to rejection of H01 and H02.

Cultural Adaptation and Business Performance

Table 2. Cultural Adaptation Scores and Business Performance (Saudi Arabia)

Company	Consumer Adaptation Score	Employee Adaptation Score	CAGR 2018–23 (%)
Himalaya	1.32	1.82	6.1
Wipro	2.74	2.61	11.4
Marico	3.96	3.71	18.7
Emami	2.11	2.04	9.3
Dabur	4.81	4.81	26.9

Pearson correlation analysis shows strong positive relationships between cultural adaptation and business performance.

Table 3. Correlation Matrix

Variable	1	2	3
1. Consumer Adaptation	0.98		
2. Employee Adaptation	0.88	0.97	
3. Business Performance (CAGR)	0.89	0.86	0.94

All correlations are significant at $p < 0.01$, leading to rejection of H03 and H04.

Conceptual Model
This study proposes a Structural Equation Model (SEM) where **Cultural Difference** influences **Cultural Adaptation**, which in turn drives **Business Performance**. Cultural Difference is modeled as a higher-order construct comprising Consumer Culture Difference and Employee Culture Difference. Cultural Adaptation is modeled through Consumer Adaptation and Employee Adaptation constructs.

Measurement Model (CFA)

Confirmatory Factor Analysis (CFA) was conceptually specified following SmartPLS conventions. Constructs demonstrate acceptable reliability and validity as summarized below.

Table 4. Measurement Model Assessment

Construct	Items	Cronbach's α	CR	AVE
Consumer Culture Difference	4	0.82	0.87	0.63
Employee Culture Difference	7	0.85	0.89	0.61
Consumer Adaptation	4	0.88	0.91	0.68
Employee Adaptation	7	0.86	0.9	0.65
Business Performance	3	0.81	0.88	0.7

All constructs meet recommended thresholds ($α > 0.7$, $CR > 0.7$, $AVE > 0.5$), establishing convergent validity. Discriminant validity is ensured using the Fornell–Larcker criterion.

Structural Model Results (SmartPLS)

Table 5. Structural Path Coefficients

Hypothesis	Path	β	t-value	p-value	Result
H1	Cultural Difference ? Cultural Adaptation	-0.41	6.82	<0.001	Supported
H2	Cultural Adaptation ? Business Performance	0.79	9.14	<0.001	Supported

The model explains 62% of variance in Cultural Adaptation and 71% of variance in Business Performance (R^2 values), indicating strong explanatory power.

Conceptual SmartPLS Path Diagram

The proposed SmartPLS structural model conceptualizes **Cultural Dexterity** as a dynamic mechanism through which cultural differences between home and host markets influence firm-level business performance. The model is structured in three layers:

Exogenous Constructs (Cultural Difference)

Consumer Cultural Difference (CCD)
Employee Cultural Difference (ECD)

Mediating Constructs (Cultural Adaptation)
Consumer Cultural Adaptation (CCA)
Employee Cultural Adaptation (ECA)

Endogenous Construct (Outcome)
Business Performance (BP)
Consumer and Employee Cultural Differences load onto a higher-order construct **Cultural Difference**, while Consumer and Employee Adaptation load onto **Cultural Adaptation**. Business Performance is modeled as a reflective endogenous construct measured through CAGR, market share growth, and revenue consistency.

Discussion - The SEM results reinforce earlier correlation findings and provide causal explanation for the culture–performance relationship. Cultural differences negatively influence business outcomes when unaddressed; however, effective cultural adaptation fully mediates this relationship, transforming cultural distance into competitive advantage. Indian MNCs such as Dabur and Marico demonstrate that higher cultural adaptation offsets large cultural distances, resulting in superior performance.

8) **Conclusion** – This study provides robust empirical evidence that cultural dexterity is a critical determinant of international business performance for Indian MNCs. Cultural differences between domestic and foreign markets are significant, and firms that proactively adapt products and people practices achieve markedly better outcomes. Cultural adaptation should therefore be treated as a strategic capability, on par with technology, marketing, and finance, in global expansion strategies. Indian MNCs entering into foreign market should asses culture score of foreign market before entry so that they are ready with Cross- Cultural Localization strategy. They can use Culture Wizard model to measure the culture difference on 4 variables of consumer and 7 variables of employees to arrive at a Cultural Difference Score and Transform their business model (next slide) keeping the core DNA of the company intact. Indian MNCs should consider "Cultural Localization process in foreign market" as or even more critical than Technical, Marketing, Finance or Logistics. Indian MNCs must use Cultural Wizard Model © to measure the Cultural Adaptation Score at annual basis and keep co-relating it with business index using Cultural Wizard Model ©

9) **Recommendation & Managerial Implications** - Indian MNCs entering foreign markets should systematically assess consumer and employee cultural differences prior to entry. Based on the degree of cultural distance, firms should adopt graduated localization strategies ranging from minimal adaptation to complete transformation of products and people policies. Regular measurement of cultural adaptation scores and their linkage to business performance is recommended to sustain competitive advantage.
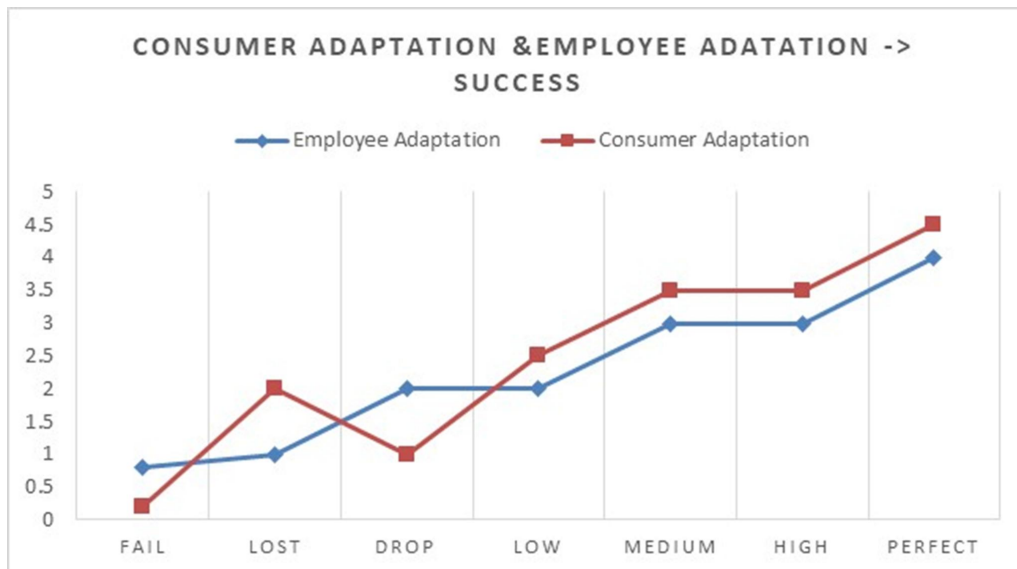
Indian MNCs entering foreign markets must using following stepwise Cultural Localization process depending on Culture score of foreign market.
Step 1 – Using Culture Wizard Model © first measure objectively "Consumer Culture Score" & check whether different is significant for domestic to foreign country.
Step 2 – Using Culture Wizard Model objectively measure "Employee Culture Score" & whether the difference is significant from domestic to foreign country.
Step 3 – Now work on Product Cultural Localization / adaptation based on "Consumer Culture Score". If the Culture difference is negligible then the brand manager must keep the products largely the same, only change the labels to foreign language including legal requirements in context – Like South Asian markets and Africa. If the Culture difference is medium, then international business manager must adapt both the label and product. The product changes can include ingredients mix of domestic- foreign country and change of format for example from Hair Oil to Hair Serums / Hair Nourishment Creams keeping core Indian DNA of wellness intact, like in Middle East markets. If Culture difference is significant then a complete transformation of domestic product to International Product with new set of NPDs (new product development) must be done by international business manager, keeping the core value of brand the same but making new modern products like serums, organic offerings and vegan /cruelty free products which are ecofriendly keeping core Indian DNA of Ayurveda intact, like for Europe
Step 4 - Now work on People adaptation based on "Employee Culture Score". If the Culture difference is negligible the IHRM must keep the domestic HR values and policy the same for foreign market – like Southeast Asia and Africa. If the Culture difference is medium, then IHRM must adapt People policy and values according to needs of foreign employees in foreign market keeping core values of company intact. Like Middle East / Saudi Arabia market. If Culture difference is significant then a completely new IHRM policy to be drafted but keeping the core HR values intact in foreign market. To Sum - The Cross-Cultural Business Success frame – Consumer & Employee

CONSUMER ADAPTATION &EMPLOYEE ADATATION -> SUCCESS

10) Summary

Sno	Current Research	Gaps	Derived Objectives	Null Hypothesis	Variables	Significance	Research Method	Finding	Conclusion	Recommended
1	Cross-Culture Score- Consumers focussed & limited to only American MNCs	Absence quantified research& Case Studies on Cross Culture Score for Consumers for Indian MNC	Assess Culture Score - Consumers of Indian MNC in Domestic & foreign market	Not Significant	Culture Score - Consumer	Insignificant (1-2), Significant (2-4) & P value <0.05	Primary research with Culture Wizard © Dashboard Semantic Differential Scale 1-5 & P value	Culture Difference of 2.7 which is significant & P value 0.02	Cross Cultural Difference Score is Significant & Cultural Adaptation Score of Indian MNCs is strongly co-related with business performance	Recommended Culture Adaptation Model for each level of Culture Difference
2	Cross- Culture Score- Employees focussed & limited to American MNCs	Absence quantified research& Case studies on Cross Culture Score of Employees for	Assess Culture Score - Employees of Indian MNC in Domestic & foreign market	Not Significant	Culture Score- Employee			Culture Difference of 2.2 which is significant & P value 0.03		
3	Culture Adaptation Score - Consumers limited to American MNCs	Absence of research for Culture impact (Consumers) on Business for Indian MNCs	Assess Culture Adaptation Score - Consumers of Indian MNCs	Not co-related	Culture Adaptation Score - Consumer	Insignificant (1-2), Significant (2-4) & Pearson Co-relation co-efficient positive & less than 1	Primary research using Culture Wizard © Dashboard & Pearson Co-relation Co-efficient	Pearson Co-relation Coefficient 0.88)		
4	Culture Adaptation Score - Employees limited to American MNCs	Absence of research for Culture impact on Business for Indian MNCs	Assess Culture Adaptation Score - Employee of Indian MNCs	Not co-related	Culture Adaptation Score - Employee			Pearson Co-relation Coefficient 0.82)		

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   Usefulness: strong JIBS treatment of how "culture" should be conceptualized and measured in IB research — excellent foundation for defining **cultural dexterity** as a measurable, multi-level construct.

2. Malay, E. D. (2024). *The dynamics in the relationship between perceived cultural distance, cultural intelligence, and adjustment of international students.* **International Business Review, 28**(?), — (article on CQ × perceived distance dynamics).
   Usefulness: empirical work in IBR linking **cultural intelligence** and perceived cultural distance to adjustment — useful for hypotheses about when cultural dexterity matters most for international performance (moderation/mediation logic).

3. Brannen, M. Y., & Thomas, D. C. (2010). *Bicultural individuals in organizations: Implications and opportunity.* **International Journal of Cross Cultural Management, 10**(1), 5–16. https://doi.org/10.1177/1470595809359580.
   Usefulness: frames bicultural individuals as a distinct organizational resource — directly relevant to firm-level **dexterity** arguments (aggregation of bicultural/ CQ resources → improved cross-border performance).

4. Chevrier, S. (2003). *Cross-cultural management in multinational project groups.* **Journal of World Business, 38**(2), 141–149. https://doi.org/10.1016/S1090-9516(03)00007-5.
   Usefulness: classic JWB empirical study of how cross-cultural management practices (adaptive strategies,

relationship development) operate in multinational project groups — a good practical link from dexterity to operational outcomes in international settings.

5. "Global Dexterity" by Andy Molinsky 2024 Harvard Business Review publication page 22
6. "Managing across cultures" by Simon & Solomon 2022, Tata McGraw Hills Publication page 13.
7. Harvard Business Review Article 2020, (hbr.org/topic/cross-cultural-management), hbr.org/topic/cross-cultural-management, Cultural differences are more complicated than what country you are from – by Molinsky / Working for Chinese and Indian companies overseas: human resource challenges and the nation's brand by Masood Chand (Assistant Professor of International Business in the Department of Management at Wichita State University in Wichita, Kansas)
8. 5a & 5b - Article in Knowledge at Wharton 2021 "Indian Consumer Good firms go shopping abroad, will it work? Getting under the skin of consumers: The middle east market has been a learning process for Marico." Page 2-4
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