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STATEMENT OF INTERNATIONAL JOURNAL OF BUSINESS ANTHROPOLOGY

The International Journal of Business Anthropology (IJBA), is a double-blinded peer reviewed journal focusing upon business anthropology supported by the College of Sociology and Anthropology, Sun Yat-Sen University, China, the Faculty of Social Science, VU University Amsterdam, The Netherlands, the Institute of Business Anthropology, Shantou University, which was originally published by the North American Business Press (NABP) biannually and is currently published by Cambridge Scholars Publishing starting from Vol. 6 (1).

Given the rapid growth of business anthropology, a journal dedicated to the field is much needed. Business anthropology uses qualitative and ethnographic methods as an alternative to more formal methodologies. Specific tools include participant observation, informal and structured interviews, and other “naturalistic”, informal, and face-to-face methods of investigation. Business anthropologists play a key role in developing culturally sensitive policies and strategies in a world increasingly typified by cross-cultural contacts.

The journal seeks articles by anthropologically-oriented scholars and practitioners. Regionally-focused contributions are welcome, especially when their findings can be generalized. We encourage the dialogues between the findings or theories generated from the field of business anthropology and the theories of general anthropology. Topics of interest include, but are not limited to, general business anthropology theories and methods, management, marketing, consumer behavior, product design and development, knowledge management and competitive intelligence, human resources management, international business, etc.

The objectives of IJBA are:

- Generate an exchange of ideas between scholars, practitioners and industry specialists in the field of applied and business anthropology
- Encourage bridge-building between the practitioner and the academic world
- Provide a vehicle of communication for anthropologists working within the practitioner world
- Provide a forum for work concerned with qualitative business analysis inspired by anthropological theory and methods

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We are always looking for good manuscripts! We encourage practitioners, students, community members, and faculty from all disciplines to submit articles. The Editors and one or more anonymous peer reviewers will review the manuscript prior to its acceptance for publication. In addition to research and academic articles, we feature case studies, commentaries and reviews. Please send manuscripts, news notes and correspondence to: Dr. Gang Chen, Executive Editor, via e-mail at jamesgchen@qq.com, or to Dr. Robert Guang Tian, Editor-in-Chief, at rtian@stu.cn, or ijba@cambridge scholars.com.
EDITORIAL COMMENTARY:
ANTHROPOLOGISTS’ CONTRIBUTIONS TO BUSINESS STUDIES

Although anthropologists can and have made significant contributions to the business world (Jordan, 2013), the theories and methods of this qualitative social science have not been as widely phased into business research practice as they could and should have been (Tian and Walle, 2009). The most powerful tool that business anthropologists can apply and contribute to anthropological skills is to do ethnographic study. The term ethnography means to make a portrait of a people. It can be juxtaposed with ethnology, the process of comparing different peoples or ways of life in the hope of discovering universal or recurring patterns and tendencies of human behavior. Put simply, ethnography is the research approach used by anthropologists when studying groups of people. Business anthropologist Timothy De Waal Malefyt reveals that technological methodologies are central to the production of branded ethnographic practices, as forms of branding and technology legitimize consumer–corporate flows of interaction. The conclusion raises awareness of the ways in which modern branding practices reconstruct anthropology in public discourse (Malefyt, 2009).

Stewart suggests that business anthropologists need to understand business vocabulary to interpret the speech and other acts they encounter, regardless of organizational behavior, marketing, product design, or technology. In this perspective, they are just the same as any others in their need to know the language of their sites. They share some of their challenges—defined focus of studies is one such challenge. Applied anthropologists often need to work in cross-disciplinary teams as they are often expected to defer to colleagues from other disciplines, particularly economics and psychology, as many business anthropology case studies have demonstrated. Moreover, the minor role that anthropologists may find themselves in may lead to ethical conundrums. The dominance of the other fields is also a reason that useful findings by anthropologists have often failed to be implemented (Stewart, 2011).

According to business anthropologist Dr. Robbie Blinkoff and his Context Based Research Group team, one of the most successful business
firms that provide consultation service by using anthropological theories and methods, ethnography involves four key tenets: Participant Observation, with ethnographers spending time with people as they go about their daily lives, learning how they live by actually doing what they do; Natural Setting, in which ethnography is conducted in the space where participants actually live, work and play, not in a separate research facility; In Their Own Words, whereby ethnography research findings are delivered in the words of the participants, using their language and intonation; and Holism, which looks at how people's actions and thoughts are influenced, directly or indirectly, by absolutely everything in their lives. Ethnographers stay open to all potential connections. They use many different research methods to gain insight into people, but always come back to these four core ideas.

Conducting an ethnographic study is a very specific investigation that explores a circumscribed social setting. The goal of ethnographic fieldwork is to describe and analyze a set of human behaviors that exist or have existed in a specific time and place, not to generate universal theories of humankind or human behavior. This type of focused investigation has a proven value to businesses that seek to understand how people respond in the workplace as employees, as consumers and so on (Walle, 2001). Doing ethnographic research involves a range of data-collection activities and can be placed somewhere along a continuum, stretching from the passive observer at one end to the active participant-observer at the other. Participant observation involves a level of immersion that allows the researcher to be able to intellectualize what is seen and write about it convincingly. To develop a strong familiarity with the business issues being studied, ethnographers must unravel different clusters of meaning by engaging at a level of interaction that allows them to test their insights about a setting. Ultimately, ethnography is an inductive process, whose data is produced by repeated and prolonged contact between researcher and informant, often with considerable mutual involvement in the personal lives of native participants (Tian, Van Marrewijk and Lillis, 2013).

In recent years, researchers in business have increasingly begun to employ qualitative methods such as the ethnographic method and participant observation. Marketers and consumer behavior specialists have developed ways to employ the techniques of ethnography and participant observation within the context of the marketplace. Specialists such as John Sherry and Russell Belk among many others have demonstrated the value of doing so. This research stream, arguably the most successful example of applying qualitative methods within business research, has gained a high profile and generated great interest (Walle, 2001; Tian and Walle,
More recently, Malefyt (2009) astutely notices that a conjunction in the rise of branding, fast technologies, and increased corporate interest in consumers has produced new branded forms of ethnographic practices, a unique method that business anthropologists can use to make their unique contributions to the business world. For example, Hunt Corporation is a manufacturer and international marketer of consumer products. Their products are targeted at home, office and educational users. Hunt was interested in expanding its shelf presence in the home office supplies and tools categories.

The business anthropologists at Context worked as a team with Hunt's design partner and conducted an ethnographic study by doing fieldwork in the Baltimore and Philadelphia area; they conducted a deep interview and observation of each participant's home office. They identified that there were three types of home office users with each type having very specific unmet needs and desires. Armed with this knowledge, the designer was able to produce product sketches and concepts for Hunt, which were targeted toward each type of home office user. In the end, Hunt selected the final concepts, which became products for the home office and were marketed at mass merchandisers and office stores throughout the United States. There are many examples to demonstrate that using ethnography is the best way to get closer to the consumer (Sherry, 1994; Sunderland and Denny, 2007).

Business anthropology as a sub-field of anthropology and a sub-field of business studies has experienced great development and progress in recent years. The implication of anthropology along with its unique methods and contributions to the business world has been widely documented. The unique methodology developed by anthropologists enables them to make particular contributions to the business world. The roles that business anthropologists can play, the functions that anthropologists can have, and the contributions that anthropologists can make in the real business world are innumerable, corresponding to the needs of individual business firms and the expertise individual business anthropologists have accumulated.

Corporate cultures, knowledge management, cultural audit, organizational change, product design and development, marketing, consumer behavior, and international business studies are some areas that are particularly
suitable for business anthropologists to look into and make their contributions. Business anthropologists can also work in and make their contributions to other areas, such as competitive intelligence, international business, human resources management, and operations. In short, the contributions that business anthropologists can make in the real business world are unlimited, and it is reasonable to expect that in the future business anthropologists will become much-in-demand professionals in the real world (Tian, 2010).

Ethnographic methods provide a very powerful tool for business anthropologists to make their much needed contributions to business implementation and strategy. Business researchers can often benefit from doing ethnographies for the information that they can provide. Business ethnographers focus on the fact that there is often a significant difference between what people say and what they really do. Through participant observation, business anthropologists can reveal informal social structures and patterns of behavior that exist, as well as tensions that might not be obvious at first glance. Professionals in the business world have been increasingly using ethnographies as the effective means to improve business performance and profitability (Robert Guang Tian and Gang Chen).

References


Applications of Anthropology in Business Management: Localization with Chinese Characteristics

Wei Li
Central University of Finance and Economics

Kathy Tian
London School of Economics and Politics

Camilla H. Wang
Shantou University

Yu Liu*
Shantou University

Management research focuses on the study of business related events and processes. It emphasizes cultural values and culturally related issues in the realm of the business world. Anthropology, as a social and behavioral science, has a unique tradition in terms of studying cultures deeply, and as such is one of the fundamental pillars of management science. Anthropological methodologies play an influential role in directing the practice of business. Having provided important guidance to the practice of business, the research methods of anthropology, especially ethnography, are now widely applied to the world of business. This paper offers an initial exploration of intrinsic relations between anthropology and business management, discusses the development and application of interdisciplinary business anthropology, and probes the pathway to localize the application of anthropology in business administration in China.

* Dr. Liu Yu is the corresponding author; he can be reached by email yliu@stu.edu.cn
Introduction

At present, business administration sectors of the world are hiring employees and researchers who are knowledgeable about enterprise cultures in order to improve management as well as profitability. The environment for business is undergoing fundamental changes, and the practitioners and researchers in this field must therefore adjust themselves to these changes and utilize new approaches both in practice and in management. Although anthropology has made great contributions to the science of business management, it is a new trend in the world of business to apply the theories and methods of anthropology to the practice and research of business administration. In contrast to quantitative research methods, anthropological research, by using participant observation and in-depth interviews, can help to resolve various culture-related issues in the field of business administration. For anthropologists, administration is not only a social but also a cultural phenomenon, which is a focal point in cultural anthropology (Tian, Van Marrewijk, and Lillis 2013).

As early as in the 1920s and 1930s, a Harvard University anthropologist had embarked on the study of employee relationships and labor efficiency of the Western Electric Company located in Chicago. The principal investigators involved in the study were anthropologists. Based on anthropological research methods such as ethnographic studies using participant observation and in-depth interview, the researchers concluded that the work efficiency of employees would increase if they know the management team care about them and their work, which has influenced the study of business administration for decades. Scholars take this research as the cornerstone of the human relations school in management science (Baba, 2006).

Since then, anthropologists have begun to engage in applied research in many aspects of business management, from organizational culture studies to human resources management, product design, consumer behavior studies, competitive intelligence, and international business strategies. In 1943, the University of Chicago founded a consultancy named the Committee on Human Relations in Industry, involving applied anthropologists Burleigh Gardner, W. Lloyd Warner, and William Foote Whyte (Jacoby, 1997). Later, Gardner and Warner left the university environment and established the Social Research Cooperation Company in 1946 which became a forerunner in the field of business anthropology management consulting, successfully providing management consulting
services to hundreds of medium-sized business companies; it still remains active today (Tian, van Marrewijk and Lillis, 2013).

The U.S. established the Research Institute for Learning in 1987 with the aim to study the natural learning process and to establish a more effective learning environment. Its main research methods are anthropological participant observation, in-depth interviews and interactive analysis. The institute’s research results have been widely used in the management practice of industrial and commercial business to improve the learning ability of workers as a means to improve labor efficiency. Increasing numbers of senior management executives have recognized the contribution of business anthropologists across the country since the 1990s, making business anthropology an integral part of the academic study of business administration (Baba, 2006).

Beginning in the 1990s, throughout Europe and the United States, the effectiveness of anthropological studies for business administration, as well as anthropologists’ contribution to improving the quality of business administration have been recognized widely by business leaders, which made anthropology become a new area in the study of business administration. In China, the enthusiasm for anthropological research in business is on the rise, with some market-sensitive enterprises becoming aware of the significance of anthropological studies in business and beginning to hire anthropological management staff. Some researchers have even anticipated that in the near future, many enterprises will need to prepare a new position of Chief Anthropologist to give advice to the development of enterprises (Tian and Zhou, 2012—see also Grant McCracken, 2009).

Qualitative analysis and observational studies by anthropologists can help decision-makers to improve insights, which are lacking in quantitative research. In today’s business world, there is a call for cultural returns on management, and business administrators, while paying attention to turning profits, need to observe the cultural heterogeneity in enterprises through a cultural point of view to achieve a rounded enterprise development. The ethnographic study is a unique method in qualitative anthropological research, the prominent feature of which is to provide descriptive analysis that dominated in fieldwork. By observing the behavior and interactions of the people involved in management activities, anthropologists are able to better explore the significance of enterprise culture to business administration, and effectively apply it to management practices to enhance business administration efficiency and enterprise profitability.
Anthropology is a Fundamental Pillar for Business Studies

In recent years, in Western countries with highly developed market economies, some large, multinational business firms have hired anthropologists to provide operational research for the companies’ management in order to maximize profits. Some of the companies that have hired full-time anthropologists include the telecommunications equipment company Motorola, the electric appliance manufacturer General Electric, the multinational financial consortium Citibank, and the car manufacturer Toyota. Moreover, some firms, such as Microsoft and Intel, have even hired teams of anthropologists as long-term official staff within the company to engage in applied research for routine business management and for strategic development (Jordan, 2010).

Anthropological studies focus on the social and cultural environment upon which people rely for existence. In addition, these studies examine people’s reactions to the environment, such as their emotions, attitudes and behaviors. The reason anthropology can be applied to the world of business administration is that the two are naturally related, and anthropology is one of the sources of management science. Put simply, anthropology is a science that studies human beings, while management is partially based on the professional knowledge of anthropology and the understanding of the effect on humanity and culture generated by anthropology. Accordingly, taking humans as the starting point, giving full play to people’s initiative, and promoting the humanistic and scientific development of business administration, are no doubt an effective way to promote beneficial results for management (Hamada, 1998).

Professor Guo Yi at East China University of Science and Technology argues that because anthropology is a behavioral science that studies culture in detail, the application of anthropology in business administration, therefore, always considers some cultural factors. Instead of abstract concepts, the cultural factors in anthropology are usually comprehensible through common sense. The difference between anthropologists and nonprofessionals is that anthropologists are experts in finding “solutions” in people’s daily lives, while nonprofessionals are uncritically governed by their habits formed in life, which always shape people’s words and actions. In most cases, management’s reactions to business issues are taken for granted without systematical thought (Guo, 2012).

In our social environment, anthropologists bring a real and unmasked attitude to communicate with their subjects of study, thus obtaining
intuitive comprehension of beliefs, values, and fears, and hence accomplishing classic research in anthropology and ethnography (Erickson and Murphy, 2003). In the development of anthropology, there are differences in branches and directions. Taking physical anthropology and cultural anthropology as an example, the former has relatively more respect for science; the latter prefers to emphasize culture and is usually thought of as “non-scientific” by some scholars. In academia, there is always a cultural war between science and culture (Liu, 2012). If we observe the development and changes of management science from the perspective of the cultural conflict of the two, it is not hard for us to see that the theoretical development of management is pushed forward smoothly with the checks and corrections of the above two branches. Therefore, in many cases, the analysis of human beings needs to be based on the conditions of the surrounding environment. This analysis should include, without being limited to, the simple application of the generalized analytical method of natural science (Walle, 2001).

In reality, all industrial and commercial activities involve relationships among people, and as such, business administration belongs to the same category of social science as anthropology. Doctor Lv Li (Lv, 2012), one of the forerunners of the humanistic spirit in China’s management science field, has pointed out that in management we can find the ideas, concepts, willpower, emotions and behaviors of the subjects, which are related to the individual but are under-determined and non-quantitative. Therefore, these non-quantitative factors are hard to objectively describe and analyze in a purely scientific manner. In other words, we can only apply qualitative methods in cultural research. In qualitative studies, the classic ethnographic research methods are closely related to traditional anthropology, and are widely used in the world of business administration. However, ethnographic studies of academic anthropology are different from those of ethnography of business administration. Apart from some differences in techniques, the differences mainly exist in their subjects of study. The subject of the former is usually non-mainstream culture, while the subject for business administrative ethnography is industrial and commercial agencies as well as their consumers and business domains. Of course, differences in research subjects have nothing to do with the adoption of specific research methods, and the special significance of anthropology to business administration lies in its unique research method of ethnography (Lan and Tian, 2011).

Unlike the research methods of many social science and management studies, the methods adopted by ethnographers are such qualitative ones as
participant observation and the in-depth interview, while other research related to the science of management is primarily quantitative. Compared with traditional quantitative methods, qualitative methods are different but equivalent, and often flexibly applied by researchers in accordance with the changes in the environment (Walle 2002). The applicability of anthropological qualitative methods has been used in many approaches and methods in research on business administration (Walle, 2000). The discipline of business administration is in fact different from other scientific studies, especially for many aspects of enterprise cultures, because it is hard to have specific numbers for measurement, therefore it is impossible to obtain a unified answer. For this reason, more direct and more specific first-hand data is usually obtained by using participant observation and open questions. In interviews, we may encounter a wide range of questions with open answers that are both applicable and timely, and which are highly suitable for research on business administration (Tian and Dai, 2013).

In addition to involvement in human relationships, the various issues business administrations have to face are closely connected with culture, therefore can be easily resolved by anthropological theories and measures, since anthropology is one of the universally recognized areas in social and behavioral sciences which possess unique and in-depth research on culture. The practice of business administration is not only a cultural process, but also the result of cultural environmental functions. Management practice and the generation of related management patterns are in line with the evolution of cultural and ethical principles in the whole history of a specific nationality during a particular period (Lv, 2009). As the founder of anthropological fieldwork, specifically, participant observation, Malinowski put forward the principle of “getting to the heart of the local people, grasping the relationship between his attitudes and his life, so as to make clear what he thinks of the outside world” (Kardiner and Preble, 1991). Later, this research method was widely used in humanistic studies, and personally applied to management studies by Warner, who as aforementioned, pioneered the anthropological study of industrial enterprises (Tong and Yan, 2011).

Natural analysis is the core value of anthropological field investigation, and nature-oriented values and methods have made it possible for anthropology to extend its research scope continuously. In consumer behavioral studies within the science of business administration, scholars prefer “natural analysis”, the basic strategy of which is to conduct research on and to explain the real-time behaviors of people through anthropological
participant observation along with study of the cultural atmosphere and values consistent with the occurrence of these behaviors. Such a qualitative analysis has won wide acclaim for “naturalistic analysis”, and the anthropological real-time participation analysis method is embodied in “naturalistic analysis” (Belk, Sherry and Wallendorf, 1989).

Ethnographic studies can reveal cultural and social patterns that are difficult to describe in the world of business administration. Dr. Kathy Rudkin and Dr. Hemant Deo of Wollongong University of Australia analyzed ethnographic methodology and its significance in research on the financial services sector. They suggested that two advantages of the ethnographic method in financial studies are worth considering. The first is that it places the researcher in actual situations to make him or her aware of the independent cultural meanings in the environment. The second is that the ethnographic method makes it possible for more researchers to pay increased attention to marginalized groups in specific social environments. Therefore, the use of the ethnographic method in the financial services sector will enable researchers to get first-hand data, which is difficult to attain by other means, and this can especially satisfy the needs of the financial services sector in terms of self-development. In other words, the ethnographic method can satisfy specific ideological and environmental demands in research on the financial services industry. There is no doubt that the results of financial services research can also be applicable to the studies of other areas in the world of business administration (Rudkin and Deo, 2006).

**Applications of Anthropology in Business Administration**

Anthropological theories and methods as well as the research results of anthropologists can resolve many real-time problems in the world of business administration (Jordan, 2010). There are various problems facing the world of business administration, and some problems related to the improper use of new technological tools and methods, or related to the negative work attitudes of workers. Business employees, especially those of big enterprises, with their different educational, ethnic and cultural backgrounds, need to overcome various difficulties in the creation of the cultural consistency of their organizations (Schwartz, 1991). The business administrative anthropologist can help business organizations to invest in addressing sources of difficulties and in providing solutions (Mars, 1994).
There are not many common views concerning specific application areas of anthropology in business administration. The vitality of anthropology for business administration, however, happens to lie in the continuous development and deepening of research domains. Jordan (2010) classifies the application of anthropology in business administration into three related areas: organizational anthropology (conducting research on complicated organizations, their cultures, workflows and instructional changes), market and consumer anthropology, and design anthropology (product and service designs). Diversification and globalization are the main threads running through these research areas. Expanding on this view, some researchers have proposed that the fourth and fifth areas in business administration studies should be competitive intelligence and knowledge management (Tian, 2009) and international business or cross-cultural business communication (Ferraro, 2006). We organize these five areas into seven aspects, namely, enterprise culture, knowledge management, cultural auditing, organizational changes, product design, market research and consumer behavior, and globalization and cross-culture business (Tian and Zhou, 2012). In China, some scholars of business administration believe that the application of anthropology in business administration should be in four areas: enterprise and strategic planning, product and process design, enterprise management, and production and sales (Wang and Xu, 2012). We suggest that anthropology can play a profitable and active role in the following five major areas for business management.

**Auditing and Shaping Corporate Cultures**

For anthropologists, business organizations are not only economic institutions aimed at achieving profits, but are also traditional organizations which have similar research value for anthropological studies in many respects. Anthropologists do not only obtain insights into organizational culture, but can also obtain formal or informal knowledge from them (Garza, 1991). In reality, anthropologists always take the business sector as a cultural entity, which is a gathering of people whom we can apply anthropological approaches to study, to analyze, and to understand rationally. With this in mind, one should also keep in mind the related business strategic background. For example, after long-term observation and research in related business sectors, cultural anthropologist Vincent Edwards proposed the interaction model between
enterprise behavior and social political, economic, cultural as well as natural environmental background (Edwards, V. and Lawrence, P.). The core value of the theory is the conclusion that enterprises can make use of background opportunities, and overcoming background constraints in order to promote the overall development of the enterprises (Wang and Xu, 2012).

In their research on social backgrounds both at home and abroad, anthropologists are especially capable of uncovering and explaining behavioral models that influence the strategies and operations of enterprises. This expertise of the anthropologists is ideal for research on how to improve business operations (Baba, 2005), using methods such as cultural auditing. In referring to a cultural audit, we refer to research on an investigation into organizational cultural features. After research on their vision, ideas, philosophy, values and relations, we can determine whether the employees consciously or unconsciously support the ideas or beliefs uncovered by the cultural auditing (Strathern, 2000). Therefore, the most important contribution from business administration anthropologists is their systematic understanding of organizational culture, their research on business strategic backgrounds, their practice of cultural auditing in business, as well as their putting forward planning and propositions for the construction of business cultural systems.

**Operational Management Process**

In corporate domains, anthropology is mainly involved in product design, development, and process innovation (Oliveira, 2013). An important role that the anthropologist can play in business administration is to help a business to improve capabilities in product design and development of new products, or to improve business models for promoting products to customers (Tian and Zhou, 2012). The ethnographic researcher is the best channel for product or technical designers to better understand consumer behaviors. Anthropologists usually make their observations on consumer behaviors in cultural, historical and global contexts (Jordan, 2003). When a business invites anthropologists to carry out research on new technology or methods, the management may have an opportunity to observe from a new perspective the influences of new technology on consumers.

To anthropologists, research on consumers is a social science, and consumption and the influences thereon deeply penetrate and forcefully
influence every aspect of our lives. The value of the ethnographic research method to product development and business operation studies has been widely recognized by the business world, especially in product design domains in recent years (Squires and Byrne, 2002). For example, anthropologist Geoffrey Robinson and his colleagues applied the anthropological analysis method to observe and define the consumption process, and to help enterprises in the development and design of new products (Robinson et al, 2010). Through ethnographic studies, they not only helped to develop a new over-the-counter (OTC) medicine, but also helped a major auto manufacturer to develop a new platform truck, helped JanSport, a backpack producer, to display in a completely original way their products at a sports shop, and helped Frito-Lay to better analyze its markets. By integrating research and development and the culture, tradition, personality, and knowledge structures of engineering designers with the research results of anthropologists to promote the Research and Development (R&D) of products and processes, we can not only satisfy the needs of current consumer groups, but we can also adjust to consumer trends and directions of the future (Garza, 1991).

**Business Administration and Knowledge Management**

From the historical context of business administration, we can see that the failure or success of business decision-making not only requires large quantities of data-based analysis, but also needs large amounts of non-quantitative or qualitative analysis. Therefore, the comprehensive observation of anthropologists on enterprise administration offers assistance to enterprises in reducing decision-making errors, avoiding communication barriers, and improving enterprise management efficiency. Anthropological applications in business administration lie mainly in two domains: the management of tacit knowledge, and human resources management (Tian, 2010).

In the management of knowledge systems, the concept of tacit knowledge usually refers to some individual knowledge hard to express to other members of the organization or difficult to be learned and grasped by people either within or outside the agency (Burke, 1998). The process of transforming tacit knowledge into explicit knowledge is a process of clearly expressing, managing and organizing knowledge. The findings of studies on tacit knowledge are perhaps the greatest contribution of anthropologists who serve business administration.
The anthropological application to human resources (HR) management specifically includes the guarantee system in order to deal with issues of equity, the ways to manage staff who are too stable (or vice versa), methods to adjust the inner hierarchy of the company, or methods to react to labor disputes and other events. By way of such case study methods as participant observation and interviews, anthropologists may put forward targeted solutions to avoid excessive deviation between employee relations and organizational objectives.

**Marketing and Sales**

An important anthropological contribution in the marketing area is analyzing and expanding theoretical constructs concerning consumer behavior and market theories based on the experience of non-Western social research. John Sherry (1990), a leading figure of business administration anthropology, believes that there can be good cooperation between marketing and anthropology. While conducting market research, anthropologists may also analyze the symbolic meanings of products held by consumers, since this is also of great significance to the study of the motivations of consumers to improve their economic and social status, regardless of whether or not these motivations are conscious or unconscious. According to anthropological theory, the social and cultural factors of enterprises usually affect consumers. As such, the key to the success of business firms lies in the extent to which they understand the needs, desires, and enthusiasm of consumers for specific products or service, as well as in the ways to arouse such enthusiasm (Anderson, 2009; Belk, Fischer and Kozinets, 2013; Cayla and Amould 2013, 2014; Denny and Sunderland, 2014; Pedro, 2013; Sherry, 1990).

**International and Cross-culture Management**

With the progress of globalization and world economic integration, there is a need for many enterprises to expand their business worldwide and hence there is need for cross-cultural management. The success of international business relies heavily on effective communication under specific rules, and because of globalization, the business market environment has crossed national borders. Therefore, it is especially important for anthropologists to help with organizational inspection and to assist with the remolding of corporate value systems as well as to help
enterprises see the world from a new perspective (Jordan, 2003). The combined efforts of anthropologists and scholars of other specializations can help enterprises in building a globalized system, signing various agreements and formalizing rules to coordinate business systems (Yucel, Elibol and Dagdelen, 2009).

Anthropologist Edward T. Hall built a career in the cross-cultural communication field and eventually wrote several seminal works about his insights from business, anthropology, communications, and other related fields. His practice and influence in the fields of cross-cultural communication and intercultural training has been monumental. He clearly understood that errors in cross-cultural communication could destroy a business deal or a peace agreement. In his book, *The Silent Language*, Hall explains that communication includes nonverbal characteristics and we need to understand these characteristics in the cultural context (Hall, 1981). In his later books, he explored the culturally different ways of conceiving space and time, as well as implications for business practice. Hall’s practice in and theoretical contributions to business communication had great impact and international value in terms of cross-cultural factors. Anthropologists, such as Gray Ferraro among others, have continued Hall’s work on communication in international settings (Ferraro, 2002).

The most famous cross-cultural business communication anthropologist Geert Hofstede (1991) has created a global model for helping business professionals to distinguish cultural differences for individual countries. This most-cited cross-cultural communication model, commonly known as the 'four dimensions of culture' model, analyzes power distance, uncertainty avoidance, individualism-collectivism, and masculinity-femininity. Many researchers such as Redpath and Nielsen (1997), Emery and Tian (2003, 2002), among others, have added one more dimension to the Hofstede model. We term this dimension as Confucian dynamism, which has the special intention of differentiating Chinese from Western cultural values. The contributions from Hofstede and his successors have played an important role in facilitating international business and cross-cultural communications.

The Rise and Development of Business Anthropology

Anthropological applications in business administration indicate the great contribution to business studies by business anthropology’s unique research methods. The contribution of anthropologists to business
administration is universal in the management world. The roles of business anthropologists, their corresponding functions and contributions, the anthropological needs of various business organizations, as well as their research achievements often benefit from the ethnographic research methods of anthropologists. Methods such as participant observation are utilized to collect necessary information, which allows anthropologists to utilize their anthropological skills and ethnographic methods to carry out research in business administration to fully realize anthropological potential, improve business performance, and increase profits.

The term “business anthropology” came into use beginning in the 1980s. We can trace the earliest business anthropology back to the European colonial period in the 19th century. An example of a company using such work is the British East India Company, which once hired anthropologists to conduct research in India in order to serve the business interests of the company (Qi, Wang, and Liu 2012). The Hawthorne Project (1924) for Western Electric is the generally accepted landmark for the appearance of anthropology in Western business. This research marks the first phase of business anthropological development. At that time, anthropologists from Harvard University carried out research on employee relationships and labor efficiency at Western Electric Company in Chicago based on the theories of the Functional School of Anthropology. The Hawthorne Project applied classic anthropological research methods such as participant observation. The researchers drew a conclusion that had a great influence on business administration studies for many decades. The researchers concluded that the labor efficiency of staff can become higher with an increase in the level of concern for staff on the part of the management (Jordan, 2010).

A second phase of applied anthropology began after World War II. The research of anthropologist Helen B. Schwartzman of Northwestern University in the United States played a significant role in the field of business anthropology. In 1941, Harvard University established the Anthropological Club, and in 1946, certain anthropological professors of Harvard University left the university to establish their own consultation company, which, as aforementioned, pioneered anthropological consultation in business administration. The business of the company included all areas and departments of business administration, and the firm successfully provided consultation services to hundreds of large and medium-sized businesses. To this day, it is still one of the most active consultation companies in business administration (Bruce, Henry and Dennison, 2006).
The third phase in applied anthropology took place during the 1960s and 1970s. The research during this period benefited from the fieldwork of anthropologists in hetero-cultural areas. Due to the contribution of anthropological studies to politics and research ethics, governments began to pay greater attention to investment in research. At the same time, encouraging the relative independence of the research objects by anthropologists was part of this agenda. This period was also a significant period for discussion of anthropological research ethics.

The fourth phase of anthropological development was in the 1980s, during which business organizations developed great interest in anthropological research. The University of California organized the first Academic Society to conduct research on organizational culture and management, and compiled their own quarterly publications, which promoted the development of the discipline. During this period, management had developed to the point where many firms had become interested in the new stage of cultural management theory. At this time, anthropological research in business administration drew wide attention, with large numbers of enterprises beginning to hire anthropologists for the development of businesses (Tian and Zhou, 2012).

Since the mid-1990s, many anthropology departments at European and American universities have formally offered business anthropology courses, and some institutions have enrolled doctorate and postgraduate students. These universities include Michigan State University, Albany State University, North Texas State University, and Denmark’s Copenhagen University among others. The Boulder Campus of Colorado State University recently began offering double majors in business administration and anthropology, which has proven to be very popular. Based on the work of Dr. Jordan, since the mid-1980s, the influence of anthropological theories and methods has grown ever larger (Jordan, 2003), especially in the courses of organizational behavior, consumer behavior, marketing and management, business competitive information and other fields. Professors in business colleges have widely introduced anthropological theories and methods in their teaching practices, and thus improved their teaching qualities and effectiveness. Dr. Michael Jordan published his seminal work *Business Anthropology* in 2003, which marked the formal establishment of the sub-discipline of business anthropology. At present, as an independent course, business anthropology has begun to be set up in some departments in Chinese universities.

In China’s anthropological academic circles applied research, with an orientation towards government administration and towards solutions for
practical problems, has witnessed great development (Tian and Zhou, 2012). In fact, anthropology is only a general term that encompasses all research for the solution of practical problems through anthropological methods. For example, when we apply anthropological methods in our research to solve educational problems, we call it educational anthropology. Similarly, when we use it in research to solve urban issues, we call it urban anthropology. Business anthropology is an emerging cross-discipline applying anthropological methods to business administration practice, and it belongs both to the social sciences and to management. Therefore, we can consider it as a comprehensive discipline. In Europe and the United States, ever-greater numbers of anthropologists are involved in research in business strategies and operations, and in such studies, anthropologists tend to assess product qualities and possible consumer reactions before the actual sales of the technological products begin (Tian, Van Marrewijk and Lillis, 2013).

As the economy in China evolves and changes, business strategy must also adapt. There is no doubt that the economic transition in China will affect business strategies across a wide range of industries, from telecommunications to automotive, hospitality, airlines, textiles, cosmetics, and so on (Alon, 2003; Gerth, 2010). It covers a wide range of activities, such as how to upgrade products and services to meet international market needs, how to reach the target market effectively, how to establish the positioning of products and services, and how to effectively conduct advertising and promotions internationally and cross-culturally. Chinese business leaders realize the changes taking place every day in the world marketplace. They fully understand that to better market their products and services internationally they must have a better understanding of international market environments from a cultural perspective (Paliwoda and Ryans, 2008).

**Localization in the Chinese Context**

Anthropology in China has always, traditionally, taken practical application as its guiding ideology, and has provided a management basis at different levels for the nation, government, and various enterprises. However, in the cultivation of modern business and administrative talent in China, there is a serious lack of related anthropological knowledge in education, to say nothing of a lack of involvement of anthropologists in the management practice of business organizations. As a result, there is a
dearth of research results and related documents, and neither the academic world nor the business sectors know much about business anthropology. Nevertheless, in the last 30 years, the rapid development of China’s business sector as well as its culture has provided very good conditions for the rise and development of business anthropology in the country.

Given the reality of the development of business anthropology in China, it is worth mentioning the study of Nongmingong (peasants who work in urban areas), a unique social and economic phenomenon in the modern Chinese business world. Dr. Zhou Daming and his students were pioneers, who studied this phenomenon beginning in the middle of 1990s. They looked at group differences among Nongmingong and suggested that business leaders must be aware of the group differences in their everyday business management operations (Zhou and Sun, 2009). Several recent endeavors are worth noting. Dr. Qi Xiaoguang applies anthropological fieldwork methods to study the issues of corporate cultures faced by international companies in China (Qi, 2011). Dr. Chen Gang uses anthropological approaches to study the tourism in Yunnan Province and suggests that the Yunnan tourism industry should mobilize local ethnic resources to develop the tourism business intensively (Bai and Chen, 2012). Dr. Wang Chunxia has shown how different religious thoughts and customs have generated various impacts on business practices in Macau Chinese business communities (Wang, 2012). Li Dekuan, an anthropological program doctoral supervisor and professor at Ningxia University, studies the significance of ethnicity in human resources management in business firms that either hire minority employees or conduct business operations in minority concentration areas (Li, 2012).

Along with accelerating industrialization and urbanization, Chinese society has undergone gradual transformation, and at the same time has witnessed a business era which is different from traditional times before the establishment of People’s Republic of China. In fact, some local scholars have noticed such trends. An example is Dr. Chen Yunpiao, who once called for politicians, management experts, and anthropologists in China to face up to the coming of the business era, and to conduct research on the social-cultural changes as well as changes brought about in such areas as people’s behavioral models, ways of thinking, value systems and many other aspects of culture. Chen argues that in this new era, the relationship between man and machine has become closer than in any other period in history. At the same time, the harmony and conditions of such a relationship has become one of the most important issues for all