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ADAPTIVE SELLING: A CROSS-CULTURAL ANALYSIS

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SOMMARIO

Lo scopo di questo studio è quello di analizzare in modo approfondito il concetto di "Adaptive Selling", di cultura e il possibile collegamento tra i due.

Nel primo capitolo analizzerò la comunicazione e la cultura, spiegandone le varie caratteristiche. Per quanto riguarda la comunicazione, fondamentale nel processo di adaptive selling analizzerò la comunicazione verbale, non verbale e l'utilizzo dell'inglese come lingua globale. Successivamente, parlerò del concetto di cultura, spiegandone cos'è e quanto è importante al giorno d'oggi considerato il contesto globale in cui viviamo. Due concetti verranno approfonditi: il primo è il concetto di "cultural intelligence", cioè la capacità che un individuo possiede nel riconoscere una cultura, impararne le peculiarità ed, infine, comportarsi nel miglior modo possibile; il secondo è il modello dimensionale dell'antropologo e psicologo Greet Hofstede, utilizzato per analizzare tramite le sei variabili del modello le peculiarità culturali dei paesi oggetti di studio.

Nel secondo capitolo introdurrò il concetto di adaptive selling, ossia la capacità di un venditore di adattare la propria presentazione e i propri comportamenti in base al tipo di situazione e compratore che si ha davanti. Verranno trattati alcuni tipi di situazioni in cui una trattativa può trovarsi, alcuni tipi di acquirenti e compratori e come essi possono influire la performance di questa utilizzatissima tecnica. Successivamente, tratterò il concetto di "cultural adaptation", cioè la capacità di un

venditore di adattare il proprio stile di vendita secondo le cratteristiche culturali del compratore, creare fiducia e riuscire a portare a termine la trattativa, grazie al proprio livello di cultural intelligence. Infine, parlerò brevemente delle negoziazioni internazionali, estendendo il contesto da nazionale a globale, poichè al giorno d'oggi sempre più imprese operano nel mercato globale, oltre che in quello nazionale. Le negoziazioni internazionali, infatti, hanno caratteristiche simili a quelle del concetto di adaptive selling.

Nell'ultimo capitolo farò un'analisi culturale di quattro paesi scelti da me, due europei (Italia, Germania) e due americani (Stati uniti d'America, Argentina). Per ciascuno di essi riporterò il modello dimensionale di Hofstede trattato precedentemente e fornirò le cosidette "business etiquettes", ossia le caratteristiche culturali tipiche delle persone di un determinato paese in fase di negoziazione. In questo modo, è possibile notare la differenza culturale tra i vari paesi scelti e, grazie alle etiquettes, capire cosa fare e cosa non fare quando c'è una negoziazione con individui di quell'identità culturale.

ABSTRACT

This work provides a theoretical explanation of some concepts such as Culture, Communication, Cultural Intelligence and Adaptive Selling. Then, a cultural analysis of four countries will be presented and, for every country, individual's behaviour, thanks to business etiquettes. The aim of this thesis is to find a relationship between adaptive selling and cultural intelligence to see if culture can somehow influence this practice. Then, the cultural analysis has the aim to shows these differences; if present, such differences would be reinforced by etiquettes.

A deep research of previous works were conducted, in order to find the right information that helps to reach the object of this study.

In Chapter one, I will talk about the concept of communication, analysing verbal, non-verbal communication and the use of English as the global language; then culture will be widely defined, discussed, and then the concept of cultural intelligence will be introduced and treated, one of the main topics of this thesis. Finally, I will introduce Hofstede's cultural dimension analysis, explaining what it is and how will be useful in the next chapters.

In Chapter two, I will treat the concept of adaptive selling, describing what such practice is about, how it works from both seller and buyer's point of view, some particular situation which can be useful to create a and how is related to the cultural aspect, thanks to cultural intelligence. Then, a quick introduction of the concept of

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international negotiation will be provided, because the concept is highly related to the adaptive selling one.

In Chapter trhee, I will analyse four countries: two Europeans (Italy and Germany) and two Americans (United States and Argentina). The analysis will be focused on cultural aspects given by Hofstede six dimension model already treated in chapter one. Finally, business etiquettes will be provided for every country analysed, in order to show better the reflexion of cultural differences among different countries.

1 CULTURE AND COMMUNICATION

1.1 Culture

Culture is the sum of one's beliefs, attitudes, and norms, values which is adapted or learnt by a person from his very childhood from the environment around him (de Mooji; 2009).

Cultural differences manifest themselves in different ways and to different levels of depth.

As table 1.1 shows, symbols represent the most aped and value the deepest manifestations of culture, with heroes and rituals in between.
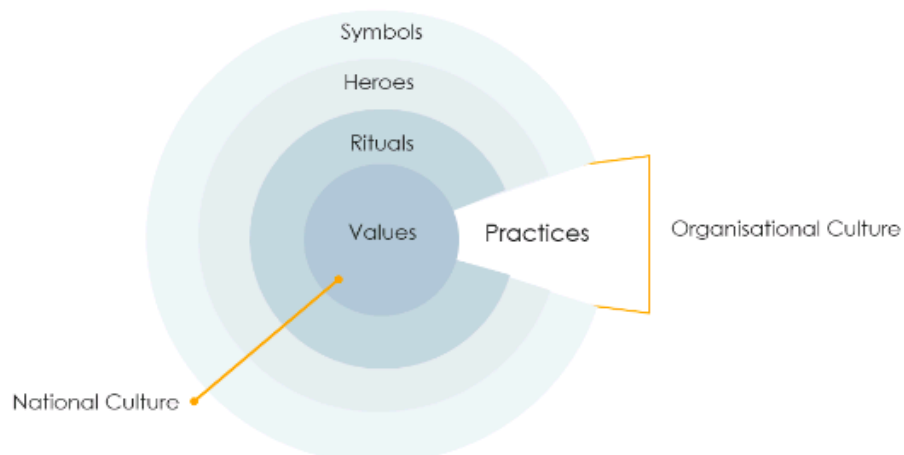

Fig. 1.1: Different levels of culture (Source: de Mooji; 2009)

Symbols are words, gestures, pictures, or objects that carry a particular meaning which is only recognized by those who share a particular culture. New symbols easily develop, old ones disappear. Symbols from one particular group are regularly copied by others. This is why symbols represent the outermost layer of a culture.

Heroes are persons, past or present, real or fictitious, who possess characteristics that are highly prized in a culture. They also serve as models for behaviour.

Rituals are collective activities, sometimes imaginary in reaching desired objectives, but are considered as socially essential. They are therefore carried out most of the times for their own sake (ways of greetings, paying respect to others, religious etc.)

The core of a culture is formed by values. They are broad tendencies for preferences of certain state of affairs to others (good or bad, right or wrong, natural or supernatural). Many values remain unconscious to those who hold them. Therefore, they often cannot be discussed, nor can they be directly observed by others. Values can only be adapted or learnt from the way people act under different circumstances.

Symbols and rituals are the tangible or visual aspects of the practices of a culture. The true cultural meaning of the practices is intangible; this is revealed only when the practices are interpreted by the person himself from his inner mind.

Cultures are complex and are multifaceted means it means different to every different person. Every individual deal with culture differently according to his own perception. We can say it is apparent from the above discussions, cultures are said to be complex "structures" that consist of a wide range of characteristics. The cultures of relationships or groups are relatively simple compared to those of organizations and, especially, societies as they involve large number of people working together or interacting with one another which makes it a complex structure. Cultures are subjective. However, there is a common belief that the elements of one's own cultures are logical and they make good sense out of it. It follows that if other culture whether of relationships, groups, organizations, or societies looks different, those differences are often considered to be negative, illogical, and sometimes a complete nonsense. For example, if an individual happens to be in a romantic relationship that is characterized by public displays of affection, that person might think that the behaviours of other people who have more reserved relational cultures may seem strange, wired or nonsense, even inappropriate because he finds public display of affection to be a normal thing. The person might wonder why a romantic couple would not be more open in displaying affection to one another in public. The individual might even be tempted to conclude that the "reserved" relationship lacks depth and intensity because he thinks differently. And similarly, the reserved couples would treat them as cheap couple. However, this doesn't mean that one culture is right or wrong, it is just a

different approach of a situation given by cultural differences. This phenomenon is true in a variety of situations, in business for example. Nowadays, international relationships among companies are the normality in this globalized contest. People who are used to informal meetings of a group might think that adherence to formal meeting rules is strange and too much strict. Employees in an organization where suits are worn every day may react with a strange feeling such as feeling inappropriate or thinking a general lack of professionalism in the company. Someone from a culture that permits one man to have only one wife may find it quite inappropriate that another culture allows one man to have multiple wives. With regard to culture, the tendency for many people is to equate "different" with "wrong," even though all cultural elements come about through essentially identical communication processes and this actually leads to the gap between the cross-cultural communication.

Cultures do not remain the same forever, instead they change over time. Even if this could seem false, changes actually happen. In fact, cultures are ever changing though the change is sometimes very slow and undeterminable. Many forces influence cultural change. Cultures are created through communication, because it is the main channel for the spread of a cultural concept in a society. Each person involved in a communication brings the sum of his or her own experiences from other culture memberships, either past or present experiences. In one sense we can

say, any encounter between individuals in new relationships, groups, organizations, or societies is an intercultural communication event, and these varying cultural encounters influence the individual and the cultures over time. Travel and communication technologies also are important in the change process. The simplification of communication among people worldwide helps the spread of known technology among cultural groups, with the possibility of copying and using that knowledge.

Migrations are also part of the process. The movement of people from one cultural context to another, and in small and large ways, cultures comes to influence one another through everyday contact. Phrases such as "melting pot," "world community", are just examples of how cultural changes happens these days.

Cultures are mainly invisible. Most of them characterizes cultures of relationships, groups, organizations, or societies is invisible to its members. Language, of course, is visible, as are greeting conventions, special symbols, places, and spaces. However, the special and defining meanings that these symbols, greetings, places, and spaces have for individuals in a culture are far less visible. For example, one can observe individuals kissing when they greet, but unless one has a good deal more cultural knowledge, it is difficult to determine what the behaviour means in the context of the culture of their relationship, group, organization, or society. As another example, beef is one of their special dishes in many countries, like

Argentina. However, in a country like India or any other country, if one were a vegetarian or a member of a culture where the cow is sacred, that same steak would have been treated in an entirely different manner and would not be accepted as a dish to be eaten.

An important use of the word culture is when it is used for the concept of the mass culture, that is a common culture shared among a huge group of individuals (Spencer-Oatey; 2012). Recently, mass culture refers to the mass-produced and mass mediated forms of consumer culture that emerged in the 20th century. Some schools of philosophy, such as Marxism, have argued that culture is used politically as a tool of the elites to manipulate the lower classes and create a false consciousness, in order to maintain the power and social status (Kellner; 2013).

Culture is also used in common speech as the set of customs, traditions, and values of a society or community, such as an ethnic group or nation. In fact, culture is the set of knowledge acquired over time. In this sense, multiculturalism values the peaceful coexistence and mutual respect between different cultures inhabiting the same planet. Sometimes "culture" is also used to describe specific practices within a subgroup of a society, a subculture (e.g. "Hip-Hop culture"), or a counterculture.

Culture is considered a crucial part of anthropology studies, because it tries to explain the phenomena that are transmitted through social learning in human societies. Basically, every culture has its own peculiar behaviours and norms

different from a society to another one. However, common aspects are shared among different cultures, and they are called cultural universals. Depends on the author, there are a different number of cultural universals. Cultural individuals are divided in 10 main macro groups (Wittwer; 2016):

1. Geography: Location defines so many aspects of a culture, for example from the clothing worn to the food cooked and eaten, that it is practically impossible not to consider geography when discussing culture. The landscape of the region, the natural resources it offers, and of course the rich history generated from the region impacts the culture's creation and evolution.

2. Food, Clothing, Transport, Shelter: already cited above concerning the geography aspect, they are also classified as universals, because they represent the basics of survival form the skeletal structure of culture. Think architectural styles, building materials, modes of transport, traditional and everyday cuisine and clothing, etc.

3. Language: Language is significantly important to culture and it is a major key for understanding another person; and, as explained in the previous chapter, every cultural group have its own language for communicate each other. When discussing language, it is also fundamental consider the

group's written language, body language, sign language, and numbers systems, as explained in the previous chapter.

4. Family: family dynamics are a key part of cultural studies, from the roles of each member, from the youngest children to the oldest grandparent, to the rites of passage that members undergo to obtain power and influence in this kind of small society. It is also part of family role and belonging the labour division across genders.

5. Values, beliefs, rituals: they are the roots of every culture. This category also includes the rituals, beliefs, and religious practices of a culture, such as myths and legends, heroes, ceremonial, rituals and holidays, and stances on contemporary science versus traditional beliefs.

6. Economics: jobs, the market, finance, goods and services, production, consumption, and distribution are crucial to societal development and quality of life. That's why economy is part of cultural universals.

7. Education: this category includes not only fundamentals of education, such as math or language and communication rules, but also societal education, in order to pass cultural values, survival skills, and various types of training onto young members, and preserve culture.

8. Politics: the type of government and the organization of a society. It covers the rule of law, such as creating new ones but also the enforcement of the existing ones; the group's hierarchies, structures, and most important

institutions. The politics of a nation can also determine whether that nation is prone to war or peace.

9. Technology: the level spread among a culture, such as tools, weapons, digital technology. Technology contributes to all aspects of everyday life, that's why different technology level is important in the definition of a society's culture.

10. Cultural Expression: this is often the category that first come to mind when the word, "culture," is used. That's because art, music, literature, sport, and every other form of cultural expression is the most bright and vivid rendering of the culture's essence, its spirit. Creative expression brings culture to life.

Previous studies tried to classified culture. For example, W.F. Ogburn classified culture into two main categories:

1. material Culture, that are things like tools, utensils, machines, books, pens etc, which are tangible and visible. In other words, he refers to the things that technology has given us or the whole apparatus of life, tools, utensils, every touchable thing etc. as material culture (Ogburn; 1964);

2. non-material culture, non-material aspects he included family, religion, government, customs, and traditions etc. which are not tangible or visible or can be touched (Ogburn; 1964).

1.1.1 Culture and Communication

When a person is being sent for work outside his home country, various difficulties arise since the culture, norms, behaviour patterns, perception, attitude of every individual and a country is different. A person who has come from one country to another for work carries his own values and culture with him which might put him into problems in carrying out his work efficiently. The field of studies that deals with this topic is called cross-cultural communication or intercultural communication.

Intercultural communication (or cross-cultural communication) is a discipline that studies communication across different cultures and social groups, or how culture affects a perfect communication among people from different cultures. It describes the wide range of communication processes and problems that naturally appear within an organization or social context made up of individuals from different religious, social, ethnic, and educational backgrounds. In this sense it tries to understand how people from different countries and cultures act, communicate and perceive the world around them.

With regard to intercultural communication proper, intercultural communication studies situations where people from different cultural backgrounds interact. Aside from language, intercultural communication focuses on social attributes, thought patterns, and the cultures of different groups of people. It also involves

understanding the different cultures, languages and customs of people from other countries. Intercultural communication plays a role in social sciences such as anthropology, cultural studies, linguistics, psychology and communication studies.

The main theories for intercultural communication are based on the observations of value differences or dissimilar dimensions among cultures. Anthropologists argue that culture and established areas of communication refer to the process of exchanging information, usually via a common system of symbols. Human beings have evolved a universal capacity to conceive of the world symbolically, to teach and learn such symbols socially, and to transform the world based on such symbols. The activity of understanding and adapting symbols can be defined as "intercultural practice," since cultural practices comprise the way people do different things in a given culture. This intercultural practice is directly linked with knowledge and "knowledge of the world", and from this tandem an unending list of variables and contexts intervene and determine the level of understanding and, consequently, the communication between cultures. The level of knowledge involved permits a greater or lesser degree of interaction and, as a consequence, communication between people who make up the different cultures. Knowledge and communication are two parameters which are intrinsically linked; the higher the level of knowledge, the greater the level of communication, but, at the same time, from a different angle, the greater the communication, the more knowledge

increases. In other words, communication allows us to decode many of the aspects that intervene in different civilizations.

Intercultural communication is also referred to as the base for international businesses. Several cross-cultural service providers assist with the development of intercultural communication skills. Research is a major part of the development of intercultural communication skills

Many people in intercultural business communication argue that culture determines how individuals encode messages, what medium they choose for transmitting them, and the way messages are interpreted.

In literature, too few researchers recognize that intercultural communication does not take place in a vacuum, but it is tied to the business context (Varner; 2000). Varner's model on intercultural business communication strategy links business strategy to intercultural strategy and communication strategy.
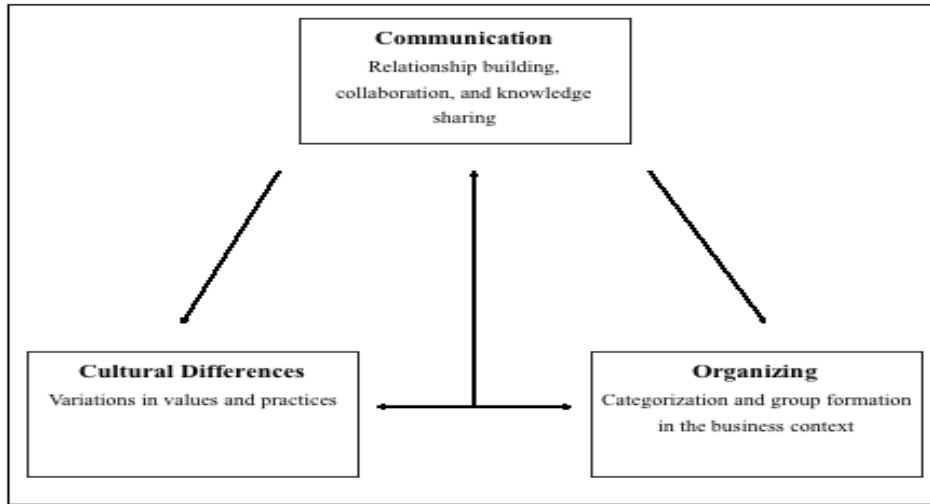
Fig. 1.2: Varner's Model (Source: Varner; 2000)

Cross-cultural business communication also is very helpful in building cultural intelligence through coaching and training in cross-cultural communication management and facilitation, cross-cultural negotiation, multicultural conflict resolution, customer service, business and organizational communication. Cross-cultural understanding is not just for incoming expats. Cross-cultural understanding begins with those responsible for the project and reaches those delivering the service or content. The ability to communicate, negotiate and effectively work with people from other cultures is vital to international business.

1.1.2 Cultural Intelligence

Cultural intelligence, also known as cultural quotient (CQ) is a term used in a huge field of studies, such as business, education, government and academic research. Cultural intelligence can be understood as a measure of the capability to relate and work in the best way possible across cultures. Originally, the term cultural intelligence and the abbreviation "CQ" was developed by the research done by Soon Ang and Linn Van Dyne as a research-based way of measuring and predicting intercultural performance. The name of this concept is relatively recent: early definitions and studies of the concepts were conducted by P. Christopher Earley and Sonn Ang in the book Cultural Intelligence: Individual Interactions Across Cultures.

The concept of CQ is related to that of the so-called cross-cultural competence. Cross-cultural competence is defined as an individual capability that contributes to intercultural effectiveness regardless of the particular intersection of cultures. Cross-cultural competence refers to the knowledge, skills, qualities and motivation that enable individuals to adapt effectively in cross-cultural environments. Although some aspects of cognition, behaviour, or affect may be particularly relevant in a specific country or region, a core set of competencies enables adaptation to any culture but goes beyond that to actually look at intercultural capabilities as a form of intelligence that can be measured and developed. According to the authors, cultural intelligence can be defined as "a person's

capability to adapt as he interacts with others from different cultural regions", and has behavioural, motivational, and metacognitive aspects (Early & Ang; 2003). Without cultural intelligence, business actors looking to interact with foreigners are susceptible to think that foreigners will behave in the same way of them, making a risky assumption that can compromise the success of the mission.

Cultural intelligence or cultural quotient is measured on a scale, similar to that used to measure an individual's intelligence quotient. People with higher CQs are considered as better able to successfully adapt into any environment, using more effective business practices, than those with a lower CQ This concept is fundamental nowadays for international business, since the globalization landscape requires businessman able to successfully communicate and work with different culture contests. But how this measurement is possible? CQ is assessed using the academically validated assessment created by Linn Van Dyne and Soon Ang, the researches that named firstly cultural intelligence. Research demonstrates that CQ is a consistent predictor of performance in multicultural settings. Additional research and application of cultural intelligence has been conducted by another researcher, Liliana Gil Valletta, defining intercultural quotient as the ability to be aware of, understand and apply cultural competence into everyday business decisions.

Ang, Van Dyne, and Livermore describe four CQ capabilities: motivation (CQ Drive), cognition (CQ Knowledge), meta-cognition (CQ Strategy) and behaviour (CQ skills).

When we talk about CQ-Drive, we talk about a person's interest and confidence in functioning effectively in culturally diverse settings. It is composed by:

- Intrinsic, the motivation that drives enjoyment from culturally diverse experiences;

- Extrinsic, the motivation of gaining benefits from culturally diverse experiences;

- Self-efficacy, the consciousness of being effective in culturally diverse situations.

The second one, CQ-Knowledge, is defined as a person's knowledge about how cultures are similar, how cultures are different and how to deal with them. It includes:

- Values, the knowledge about values, social interaction norms, and religious beliefs;

- Systems, the knowledge about economic and legal systems;

- Leadership, the knowledge of the most efficient way to deal with people from different cultures.

Concerning the third one, CQ-Strategy is how a person become conscious of the culturally diverse experiences. It occurs when people make judgments about their own thought processes and those of others. It includes:

- Awareness, knowing about one's existing cultural knowledge;

- Planning, get ready and strategizing before a culturally diverse encounter;

- Checking, like a normal control or prevision, the person checks assumptions and adjusts mental maps if the actual experiences differ from expectations.

CQ-Skills, the last one, is defined as a person's capability to adapt verbal and nonverbal behaviour to make it appropriate to diverse cultures, and communicate in the best way possible. It involves having a flexible repertoire of behavioural responses that suit a variety of situations. It includes:

- Non-verbal, how to maximise the efficiency of the communication by non-verbal behaviours such as hiding emotions or using the right gestures;

- Verbal, the right way of modifying verbal behaviours, such as modifying in the best way the accent or the tone of voice;

- Speech-acts, the capability of choose the right words for the best communication possible.

Fig. 1.3: CQ capabilities (Source: Livermore; 2016)

Nobody born with all these skills, instead they are acquired over time. In particular CQ is developed through:

- cognitive means, refers to an individual's cultural knowledge of the environment in which he operates. This cultural knowledge could be acquired through education and experience and includes cultural similarities and differences and involves specific norms, practices, and conventions, including universal facets of culture as well as culture-specific differences. Knowledge could also include legal and economic systems, religious beliefs, and language of other cultures. Having a rich mental orientation of cultural differences will influence appropriate behaviours;

- Metacognitive means, defined as the mental processes individuals use to acquire and understand cultural knowledge, including knowledge of and

control over individual thought processes relating to culture. The difference between cognitive means is that while the first one is a form of declarative knowledge, in the sense that is related to the knowledge itself, metacognitive means denotes an understanding of the process through which this knowledge can be applied more effectively and efficiently.

- physical means, an important component that enhances social interactions and focuses on how the individual will modify his behaviour to adapt to cultural differences. Thanks to physical means, individuals know how to adapt their verbal and nonverbal behaviours to meet expectations of others and they also know how to use culturally appropriate words, tones, gestures, and facial expressions. This process allows individuals to use appropriate behaviours when interacting with others from different cultural backgrounds.

- motivational means, that is the individual's ability to show interest and direct efforts in understanding the cultural differences in order to operate effectively in a given situation. Individuals, therefore, would need the necessary drive, energy and tenacity to be adaptive to the different cultural environments. If they are intrinsically interested in diverse cultures, then they will be motivated to learn about the similarities and differences that exist in these cultures. Individuals with energy and persistence tend to practice new behaviours and overtime will improve their performance.

Such means, however, must be activated somehow. To do that, training methods were created, in order to improve cultural intelligence. Nowadays, cultural intelligence is a fundamental skill required for companies who tie economic relationship with foreign partners. So, companies are manly the first subjects that provide such programs to their employees in order to activate the means with whom CQ is improved. The goal of intercultural training is to prepare individuals to deal effectively with cultural differences. There are different training approaches. A first distinction of these programs can be done in terms of participation and the focus of intervention. The first distinction deal with participant involvement, that can be high, medium or low; while the second one focus on the intervention, that is whether the objective is to change cognitions, motivations or behaviour. Historically, one of the most common methods is the lecture method, in which participants are lectured passively on some specific culture-related topic. Positive aspects are the cost-effectiveness of lectures, the non-threatening nature to participants, the possibility to transmit large amounts of information in short periods of time and the high acceptability by participants. However, the passive nature and the lack of practical activities with the topic might hinder its effectiveness. Another large class of training methods are more practical and involving, which include role-plays, simulation games and behaviour modification training. Two examples of these more experiential methods are: BAFA BAFA and Excell. BAFA BAFA is an intercultural simulation game that aims to increase intercultural awareness and

adaptability to new cultural environments. Participants are divided into two different groups and are taught how to behave in a new culture (including complex values, behavioural norms and communication styles). Then, individuals from the two cultures interact with each other using their previously learned cultural scripts. These interactions simulate culture shock, communication barriers and the common experience of interacting with someone from another culture with very different cultural norms. It is highly challenging and emotionally involving as the cultural norms differ dramatically and participants typically cannot decode the values and behaviours of the other group and experience communication breakdowns. At the end of the session, participants take part in a thorough debriefing and discussion to share reactions, perceptions and feelings. Therefore, the focus is on sensitizing participants to the power of cultural norms and allowing trainees to question their own cultural norms, preconceptions and cultural identity. No specific cultural knowledge or behaviour is being trained. Therefore, simulation games like BAFA BAFA challenge individuals to step out of their comfort zone and encourage critical reflection about cultural differences. In contrast, Excell is a behaviour modification training that uses principles of social learning theory for teaching key sociocultural competencies (expressing disagreement, participating in group discussions, making contact) that enable newcomers to a culture to obtain access to the cultural context and to be able to negotiate successfully in the new environment. In contrast to programmes such as BAFA BAFA, the focus is on behavioural competence training

involving observational learning and guided practice. Specific steps are taken to identify and reduce potential barriers such as anxiety and identity threats during intercultural interactions. Explanations are provided for specific behaviours and why they are or are not appropriate in certain situations. Participants construct a 'cultural map' to help them negotiate the new cultural surroundings. These behavioural maps are first modelled by actors behaving in culturally appropriate ways and trainees then repeatedly practice these skills while receiving feedback. Homework is often assigned and participants are encouraged to practice their skills outside the training environment. Excell allows participants to practice culturally appropriate skills in a safe environment. Training theory suggests that effective training shows effectiveness when involves cognitive, affective and behavioural components. Similarly, cross-cultural training models (Bhawuk, 1998) suggest four major stages of intercultural expertise development, with a combination of methods being most effective in moving individuals to higher levels of expertise. The first stage discussed by Bhawuk is the unconscious incompetence stage in which participants are not aware of cultural differences. Conscious incompetence at the next state is associated with an awareness of cultural differences (participants have some declarative knowledge about these differences), but individuals cannot yet effectively interact with people from different cultural groups. Individuals at the conscious competence stage do have both cognitive and associative knowledge and can consciously adjust their behaviour in the appropriate manner. Finally,

unconscious competence is associated with automatization of behaviour and individuals will perform appropriate behaviours quickly and accurately. Interventions that involve cognitive and affective components alone will help individuals to move from stage 1 (unconscious incompetence) to stage 2 (conscious incompetence). A combination of cognitive, affective and behavioural components is more likely to move individuals from stage 2 (conscious incompetence) to stage 3 (conscious competence) and eventually stage 4 (unconscious competence). Behaviour modification trainings together with theory-based lessons are the most effective types of training.

1.1.3 Hofstede cultural dimension

Hofstede's cultural dimensions theory is one of the most important theories for cross-cultural communication. Developed by Geert Hofstede, describes the effects of a society's culture on the values of its members, and how these values relate to behaviour, using a structure derived from factor analysis. Hofstede developed his original model as a result of using factor analysis to examine the results of a worldwide survey of employee values by IBM between 1967 and 1973. It has been refined since. The original theory proposed four dimensions along which cultural values could be analysed: individualism-collectivism; uncertainty avoidance; power distance and masculinity-femininity. Years later, independent research in Hong Kong led Hofstede to add a fifth dimension, long-term orientation, to cover

aspects of values not discussed in the original paradigm. In 2010, Hofstede added a sixth dimension, indulgence versus self-restraint.

The theory has been widely used in several fields as a paradigm for research, particularly in cross-cultural psychology, international management, and cross-cultural communication. It continues to be a major resource in cross-cultural fields. It has inspired a number of other major cross-cultural studies of values, as well as research on other aspects of culture, such as social beliefs. Hofstede 6 dimension is also important for defining the concept of cultural distance, the degree to which a national culture differs from another one.

The six dimensions that are part of Hofstede model are described as:

- Power distance index (PDI): The power distance index is defined as "the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally." In this dimension, inequality and power is perceived from the followers, or the lower strata. A higher degree of the Index indicates that hierarchy is clearly established and executed in society, without doubt or reason. A lower degree of the Index signifies that people question authority and attempt to distribute power. Power distance index shows very high scores for Latin and Arab Countries, such as United Arab Emirates (90) and Venezuela (81). On the

other hand, Anglo and Germanic countries such as Ireland and Austria scores low value (28 and 11)
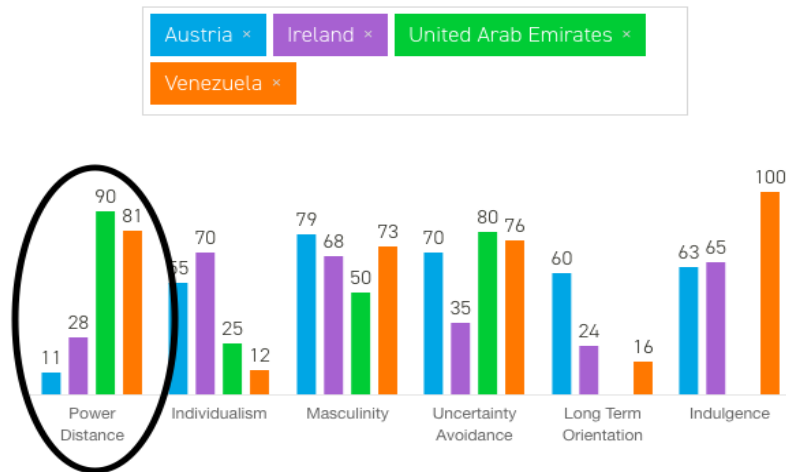

Fig. 1.4: example of Power Distance (source: hofstede-insights.com)

- Individualism vs. collectivism (IDV): This index explores the "degree to which people in a society are integrated into groups." Individualistic societies have loose ties that often only relate an individual to his/her immediate family. They emphasize the "I" versus the "we." Its counterpart, collectivism, describes a society in which tightly-integrated relationships tie extended families and others into in-groups. These in-groups are laced with undoubted loyalty and support each other when a conflict arises with another in-group. Individualism index shows very high scores for US and UK, while Latin American countries such as Chile and Colombia scores very low index, suggesting a strong collectivistic culture.
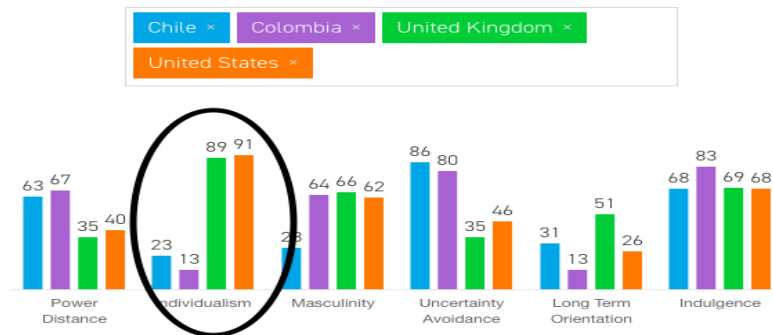
Fig.1.5: Example of Individualism (source:hofstede-insights.com)

- Masculinity vs. Feminity(MAS): In this dimension, masculinity is defined as "a preference in society for achievement, heroism, assertiveness and material rewards for success." Its counterpart represents "a preference for cooperation, modesty, caring for the weak and quality of life." Women in the respective societies tend to display different values. In feminine societies, they share modest and caring views equally with men. In more masculine societies, women are somewhat assertive and competitive, but notably less than men. In other words, they still recognize a gap between male and female values. This dimension is frequently viewed as taboo in highly masculine societies. Masculinity is extremely low in Nordic countries: Norway scores 8 and Sweden only 5. In contrast, Masculinity is very high in Japan (95), and in European countries like Hungary (88).
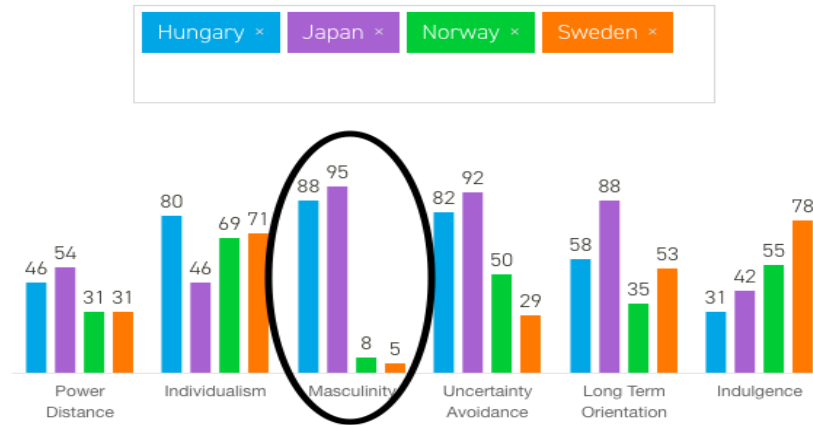
Fig. 1.6: Eample of Masculinity (source: hofstede-insights.com)

- Uncertainty avoidance (UAI): The uncertainty avoidance index is defined as "a society's tolerance for ambiguity," in which people embrace or avert an event of something unexpected, unknown, or away from the status quo. Societies that score a high degree in this index opt for stiff codes of behaviour, guidelines, laws, and generally rely on absolute truth, or the belief that one lone truth dictates everything and people know what it is. A lower degree in this index shows more acceptance of differing thoughts or ideas. Society tends to impose fewer regulations, ambiguity is more accustomed to, and the environment is more free-flowing. Germany scores a high UAI (65) and Belgium even more (94) compared to Sweden (29) or Denmark (23) despite their geographic proximity. However, few countries have very low UAI.
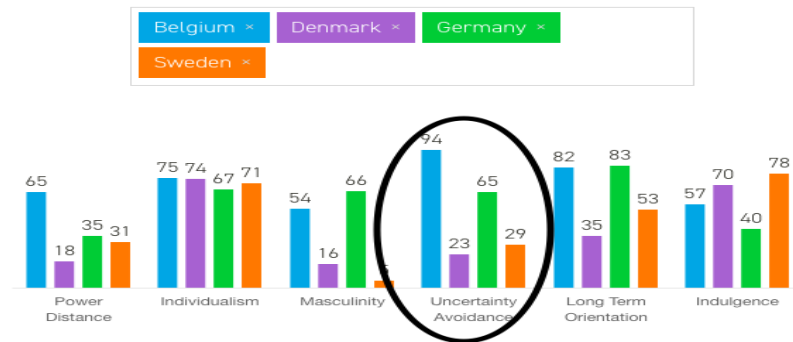
Fig. 1.7: Example of Uncertainty Avoidance (source: hofstede-insights.com)

- Long-term orientation vs. short-term orientation (LTO): This dimension associates the connection of the past with the current and future actions/challenges. A lower degree of this index (short-term) indicates that traditions are honoured and kept, while steadfastness is valued. Societies with a high degree in this index (long-term) view adaptation and circumstantial, pragmatic problem-solving as a necessity. A poor country that is short-term oriented usually has little to no economic development, while long-term oriented countries continue to develop to a point. High long-term orientation scores are typically found in East Asia, with China having 87 and Japan 88. They are moderate in the Anglo countries, and very low in Latin America.
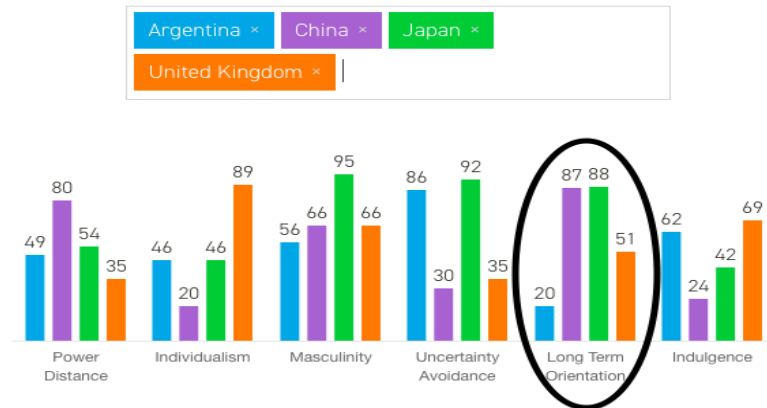
Fig. 1.8: Example of Long-Term Orientation (source: hofstede-insights.com)

- Indulgence vs. restraint (IND): This dimension refers to the degree of freedom that societal norms give to citizens in fulfilling their human desires. Indulgence is defined as "a society that allows relatively free gratification of basic and natural human desires related to enjoying life and having fun." Its counterpart is defined as "a society that controls gratification of needs and regulates it by means of strict social norms. Indulgence is quite high in countries such as North Europe, such as Sweden and Denmark, while countries such as China and Italy scores very low in this dimension, showing a more restraint culture.
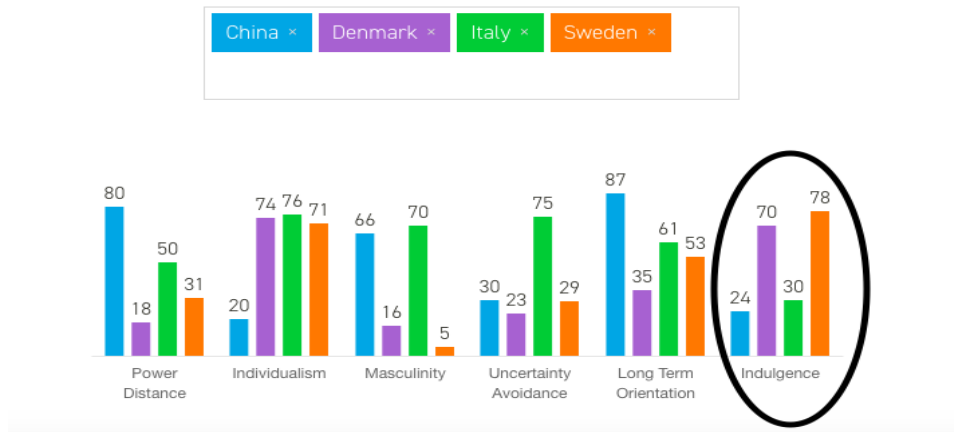
Fig. 1.9: Example of Indulgence (source: hofstede-insights.com)

This model is important not only for studies, but for the application in various fields, such as the economic one. For example, the six-dimension model is very useful in international marketing because it defines national values not only in business context but in general. In order to decide how to sell the product adopting the best strategy possible, these studies might help. For example, if a company want to sell cars in a country where the uncertainty avoidance is high, safety is an important element that should be enlighten. Cell phone marketing is another interesting example of the application of Hofstede's model for cultural differences: if a company want to advertise cell phones in China, a collective experience should be emphasized, whereas in the United States shows how an individual uses it to save time and money. The variety of application of Hofstede's abstract theory is so wide that it has even been translated in the field of web designing in which professionals

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have to adapt to national preferences according to cultures' values. Hofstede research is widely used also in international companies for training purpose. When working in international companies, managers may provide training to their employees to make them sensitive to cultural differences, develop nuanced business practices, with protocols across countries. Hofstede's dimensions offer guidelines for defining culturally acceptable approaches to corporate organizations.

In business it is commonly agreed that communication is one of the fundamental concerns. The statement is also true for professionals who work internationally and people who interact daily with other people from different countries within their company or with other companies abroad; Hofstede's model gives insights into other cultures. In fact, as we said above, cross- cultural communication requires being aware of cultural differences because what may be considered perfectly acceptable and normal in one country, can be ambiguous or even offensive in another. All the levels in communication are affected by cultural dimensions: verbal, non-verbal and business etiquettes. This is also valid for written communication. In international negotiations, communication style, expectation, issue ranking and goals will change according to the negotiators' countries of origin. If applied properly, an understanding of cultural dimensions should increase success in negotiations and reduce misunderstandings and failures. For example, in a negotiation between American and Chinese, the American negotiators may want

to reach an agreement and sign a contract, whereas the Chinese negotiators may want to spend more time for non-business activities, small-talk and hospitality with preferences for protocol and form in order to first establish the relationship. Even this practice could be perceived as a huge waste of time, it's fundamental for the success of the agreement.

1.2 Communication

Communication is simply the act of conveying information from one place, person or group to another with the use of symbols, signs and semiotic rules understandable for all the parts involved. Every communication involves one sender, a message and at least one recipient.

The main steps inherent to all types of communication are:

1. Sender has an idea. That contains the information or tidings to convey or send to the receiver. The message may be verbal, nonverbal, oral, written, or symbolic. Besides that, message can come from feeling, thought, inspiration, and many more;

2. sender encodes the idea in message. This process kwon as encoding, refers to putting thoughts, idea, or information into a message that the receiver will understand;

3. sender produces the message in a medium. The sender needs to choose the medium and channel to be used, and generally they are two types, personal

and non-personal. Personal are direct, like face to face contact with a person. The non-personal are carry a message without interpersonal contact between sender and receiver;

4. The receiver receives the message;

5. The audience decodes what is the message and understands its contents. Receivers are the consumers in the audience who read, hear, or see the message and decode it;

6. The audience responds to the message. The receivers need to say or does something answer or reaction to something after receives the message;

7. The audiences send feedback to you. After the sender send the message, the receiver may also give feedback to the sender. Feedback is information or comment about the quality of the transmission of the message.

Communication is actually a very complex subject. The transmission of the message from sender to recipient can be affected by a huge number of elements. For example, emotions can affect the correct reception and understanding of the message communicated. The medium used to communicate is also important, in fact studies suggest that written text is more efficient for transmitting a message in comparison of oral speech, especially if the oral speech is conducted in a not native language, where misunderstandings can be frequent. Last but not least, cultural differences play a fundamental role in communication.

Cultural differences exist within countries (tribal/regional differences, dialects etc.), between religious groups and in organisations or at an organisational level – where companies, teams and units may have different expectations, norms and idiolects. Families and family groups may also experience the effect of cultural barriers to communication within and between different family members or groups.

Communication to a great extent is influenced by culture and cultural variables. Understanding cultural aspects of communication refers to having knowledge of different cultures in order to communicate effectively with cross culture people. Cultural aspects of communication are of great relevance in today's world which is now a global village, thanks to globalisation. Cultural aspects of communication are the cultural differences which influences communication across borders.

Communication is divided in verbal communication (section 1.1.1) and nonverbal communication (section 1.1.2)

1.2.1 Verbal communication

Verbal communication is the spoken or written conveyance of a message. Human language can be defined as a system of symbols and rules by which the symbols are manipulated. The word "language" also refers to common properties of languages. Language learning normally occurs most intensively during human childhood. Nowadays, thanks to the globalization landscape, it's common learn at least one more language than the native one. Almost every schools in the world teach two

languages, one is the local and the second is another one, often English, recognized as the global language around the world (More in section 1.1.3). Most of the thousands of human languages use patterns of sound or gesture for symbols which enable communication with others around them. Languages tend to share certain properties, although there are exceptions. The properties of language are governed by rules. Language follows phonological rules (sounds that are used and recognized as words in a language), syntactic rules (arrangement of words and punctuation in a sentence), semantic rules (the common recognized meaning of words), and pragmatic rules (meaning derived upon context).

There are however, nonverbal elements to signed languages, such as the speed, intensity, and size of signs that are made. A signer might sign "yes" in response to a question, or they might sign a sarcastic-large slow yes to convey a different nonverbal meaning. The sign yes is the verbal message while the other movements add nonverbal meaning to the message. More about non-verbal communication in the next section.

1.2.2 Non-verbal Communication

Non-verbal communication is the non-linguistic transmission of information through visual, auditory, tactile, and physical channels.

It includes the use of visual cues such as body language, distance and physical environments/appearance, of voice and of touch. It can also include the use of time

(chronemics) and eye contact and the actions of looking while talking and listening, frequency of glances, patterns of fixation, pupil dilation, and blink rate.

Just as speech contains nonverbal elements known as paralanguage, including voice quality, rate, pitch, loudness, and speaking style, as well as prosodic features such as rhythm, intonation, and stress, so written texts have nonverbal elements such as handwriting style, spatial arrangement of words, or the physical layout of a page.

Nonverbal communication involves the conscious and unconscious processes of encoding and decoding. Encoding is the act of generating information such as facial expressions, gestures, and postures. Encoding information utilizes signals which we may think to be universal. Decoding is the interpretation of information from received sensations given by the encoder. Decoding information utilizes knowledge one may have of certain received sensations.

The Nonverbal encoding sequence includes facial expressions, gestures, posture, tone of voice, tactile stimulation such as touch, and body movements, like when someone moves closer to communicate or steps away due to spatial boundaries. The Decoding processes involves the use of received sensations combined with previous experience with understanding the meaning of communications with others.

Culture plays an important role in nonverbal communication, because there are some means of communication that in one culture send a particular message that totally change in another cultural context. For example, when 2 people are

communicating, and the listener is not making an eye contact, while in western countries is a sign of distraction from the one who is talking, in African cultures is a sign of respect.

Body language is also a communications barrier between members of different cultures. A gesture that symbolizes something positive in one culture, may be interpreted as negative and insulting in another. This reinforces the fact that the common language should be more understandable. When people from different cultures find themselves in a situation in which they communicate, the body language of each of them, generally, will be different. In this case, the language in which they conduct their conversation becomes more important, and must be as accurate as possible.

1.2.3 English as the global language

A huge distinction must be done between native speakers and non-native speakers. Non-native speakers are people that use English as a second or foreign language. Over the next decade the number of English speakers who did not learn English as their mother tongue (non-native English speakers) is expected to reach about 3 billion people, outnumbering the mother tongue English-speaking population (native English speakers) at a ratio of 4 to 1. The English language has great reach and influence, and English is taught all over the world. English is taught in almost every part of the world, and everyone nowadays has access to an English course,

because the way in which language courses are taught nowadays are infinite, either traditionally (such as frontal class) or electronically (web courses or smartphone apps). However, it is clear that a non-native speaker hardly can learn a foreign language as well as a native-speaker. Also, English for specific purposes is becoming more and more popular among non-native speakers. English for specific purposes refers to teaching the English language to university students or people already in employment, with reference to the particular vocabulary and skills they need. As with any language taught for specific purposes, a given course of English will focus on one occupation or profession, such as Technical English, Scientific English, English for medical professionals, English for waiters, English for tourism, etc. Despite the seemingly limited focus, a course of ESP can have a wide-ranging impact, as is the case with Business English.

Business English is a part of English for specific purposes and can be considered a specialism within English language learning and teaching, or a variant of international English. Many non-native English speakers study the subject with the goal of doing business with English-speaking countries, or with companies located outside the English-speaking world but which nonetheless use English as a shared language or lingua franca. Much of the English communication that takes place within business circles all over the world occurs between non-native speakers. In cases such as these, the object of the exercise is efficient and effective

communication. The strict rules of grammar are in such cases sometimes ignored, when, for example, a stressed negotiator's only goal is to reach an agreement as quickly as possible.

Business English means different things to different people. For some, it focuses on vocabulary and topics used in the worlds of business, trade, finance, and international relations. For others it refers to the communication skills used in the workplace, and focuses on the language and skills needed for typical business communication such as presentations, negotiations, meetings, small talk, socializing, correspondence, report writing, and a systematic approach. In both of these cases it can be taught to native speakers of English, for example, high school students preparing to enter the job market. One can also study it at the university. Institutes around the world have courses or modules in Business English available, which can lead to a degree in the subject.

But could it be that Business English may actually harm our ability to conduct successful business dialogue? How effective is Business English?

Between the native English speakers and those who acquired it over the years, there is a basic and significant difference which rests on the intercultural differences between English speakers who use English differently. These differences create a troublesome gap that carries with its negative implications and effects on global organizations worldwide.

The expansion of English to non-native speakers does not include the learning of the culture as well, because they acquired it only as a communication tool and not as part of their culture or history. Cultural perceptions are formed over time and greatly affect the various interpersonal interactions. They are crucial for distinction between positive engagement between participants and negative ones, and furthermore includes the subtle nuances that distinguish between the members of different cultures. The resulting different perspectives can determine if the workers in a particular organization function effectively or not, and whether business meetings will bear fruit.

When someone communicate in English in the business world, he is confident that the message is transmitted naturally and successfully, and that the interaction meet all expectations, and take these for granted. However, in the current multicultural business world there are situations where native and non-native speakers of English conduct a dialogue (or sometimes conversations with more than two speakers) combining different accents, different assumptions, different perspectives and other factors that influence the conversation, and particularly influence the speakers. Thus, there is an illusion of a successful and fruitful conversation when in fact valuable knowledge is lost among its participants, and sometimes even misunderstood. This is not only not effective, but projects negatively on the business dialogue, and sometimes totally disrupts it.

The global business world today is becoming increasingly demanding and intense. Many businesses are spread over different countries around the world, and businesspeople frequently move from one country to another to meet with colleagues. These changes have brought with them the need for new technological developments that allow different platforms for remote communication such as Skype, WhatsApp, etc. as a means for conducting business meetings or for in-house conversations between workers from different countries talking in English; but it is doubtful that the participants understand each other fully and accurately.

One example of failure in communication comes from "cultural shortcuts". For example, a company owner of American origin lecturing a group of colleagues from different countries in the world who finds it difficult to pass on information because of his unconscious use of idioms and expressions belonging to his culture. The audience, who do not come from his culture and are not versed in the intricacies of his language (which is unavoidably associated with the culture it comes from), may understand the content delivered in an incomplete and sometimes even wrong manner. Therefore, the effective transfer of a message should be free of these shortcuts, with the responsibility for that resting with the speaker, who faces a difficult task.

Another factor that is sometimes not taken into account is how people perceive different accents and respond to them. A conversation between native English

speakers and non-native speakers, or conversely between non-native English speakers from different countries, are fraught with negative effects on participants such as difficulty concentrating during the conversation, misunderstanding, and doubts about the credibility of the speaker or his intelligence. Therefore, one must be cautious and confirm with the listeners that the message is clear, and try to minimize the effort they must invest in understanding it.

So, culture and communication are two interesting topics, deeply related each other. They are also fundamental when they will be related to the concept of adaptive selling, creating the so-called cultural adaptation.

2 ADAPTIVE SELLING

2.1 definition and conceptualization

2.1.1 What is adaptive selling

The practice of adaptive selling is defined as the modifications and adaptations of behaviours and communication during a customer interaction or across customer interactions based on perceived information about the characteristics of the potential clients. Salespeople exhibit a high level of adaptive selling when they create and use different tools such as sales presentations, using the one that fits better for the potential client and is more effective, "adapting" the mean of communication in the most effective way. In contrast, a low level of adaptive selling is indicated by the use of the same tool, like sales presentation with all the potential clients, believing that it's good for everybody. By this definition, adaptive selling can be undertaken in an effective and an ineffective way. Adaptive selling results in long-term effectiveness when the benefits of the approach outweigh the costs- when the sales generated through the practice of adaptive selling outweigh the cost of selecting and training salespeople to collect relevant information from their customers and utilize this information appropriately.

There are four conditions under which the benefits are likely to outweigh the costs. They are:

1. salespeople encounter a wide variety of customers with different needs;

2. the typical sales situation involves large orders;

3. the company provides resources to facilitate adaptation;

4. the salespeople have the capability to adapt effectively

A model that tries to explain the motivation to practice adaptive selling, Adaptive Selling capabilities, the practice of adaptive selling, and selling effectiveness is shown in table 2.1. This model identifies some key constructs associated with adaptive selling and suggests how these constructs are interrelated (Weiz, Sujan, Sujan, 1986). It is not intended to describe the process by which salespeople adapt their sales presentation, develop adaptive selling skills, or are motivated to practice adaptive selling (Weiz, Sujan & Sujan, 1986).
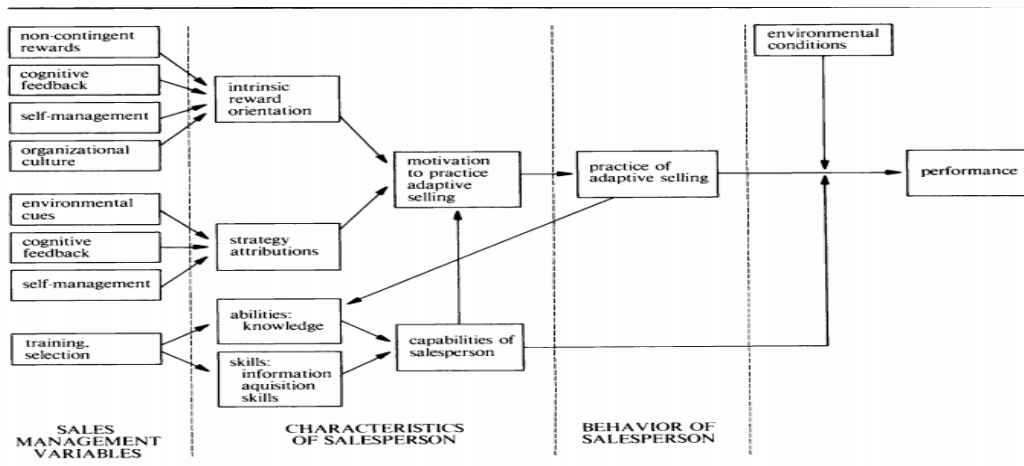

Fig. 2.1: Adaptive Selling performance (source: Weiz, Sujan & Sujan; 1986)

The practice of adaptive selling is defined as the altering of sales behaviours during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation. A quite easy example of non-adaptive selling is delivering the same standard presentation to all customers. By doing so, not only there is a huge risk of misunderstanding, but also is important to remember that culture and communication plays a huge role in a successful negotiation, and miscommunication is known for producing low results. In contrast, salespeople are extremely adaptive when they use unique sales presentations for each customer and also alter their behaviour during an interaction. Altering sales behaviours can be either successful or a complete disaster, with a moderate result between the two before.

The upper right part of the model suggests that the relationship between the practice of adaptive selling and selling effectiveness is somehow influenced by the nature of the selling environment, something that salesperson can't control and, of course, the capabilities of the salespeople. Adaptive selling is effective only when these variables result in the benefits outweighing the costs of practicing adaptive selling.

In general, one would expect the practice of adaptive selling to improve selling effectiveness, however there are costs associated with practicing adaptive selling. To practice it salespeople must spend time doing market research on the customer-time that might be spent more profitably in dealing with other customers. Some

characteristics of the selling environment that influence the cost/benefit ratio associated with adaptive selling are: the variety of customer needs and types encountered by the salesperson, the importance of the typical buying situation encountered, and the resources provided by the company to the salesperson. When salespeople have similar customers with similar needs, they can effectively use the same, best suited sales approach in all customer encounters.

In addition to the resources provided by the company, salespeople's abilities and skills moderate the effectiveness of practicing adaptive selling. The lower left part of picture indicates the specific ability (knowledge) and skill (information collection) that we A well-prepare salespeople may need. In fact, to practice adaptive selling effectively, salespeople need an elaborate knowledge structure of sales situations, sales behaviours, and contingencies that link specific behaviours to situations. To utilize this knowledge, salespeople need to be well prepared in collecting information about customers so that they can relate knowledge acquired in previous sales situations to the interaction in which they are currently engaged.

The upper left part of the scheme indicates that three salesperson characteristics motivating the practice of adaptive selling are: the degree to which salespeople have an intrinsic reward orientation, the tendency of salespeople to make strategy attributions when they analyse the causes of successful as well as unsuccessful sales

encounters, and the degree to which salespeople have the capabilities for effectively practicing adaptive selling.

The left edge of the adaptive selling model suggests how sales management practices are related to constructs in the model. The intrinsic reward orientation of salespeople is affected by the level of self-management, the culture of their organization, the nature of the reward system in which they function, and the feedback provided by sales managers. Environmental cues including the actions of sales managers are related to the tendency of salespeople to make strategy attributions. Selection and training affect the knowledge and information acquisition skills of salespeople. Finally, the model in the scheme indicates that the knowledge is influenced by the practice of adaptive selling. In fact, once an individual has finished a negotiation, the adaptive selling technique he applied remain stored in his memories; as a consequence, the knowledge of this practice increases and, automatically the knowledge. More knowledge a salesperson has, more practice of adaptive selling he is able to perform.

Adaptive selling happens when a salesperson adapts, changes, and customizes her selling style based on the situation and the behaviour of the customer. It takes place in many situations in business and in life. It is the selling skill that allows to adapt the type of communication to a person or situation.

A fundamental aspect of Adaptive selling is the personality of the seller and how much influence the performance, the adaptivity and the effectiveness of a negotiation (Spiro &Weitz; 1990). According to the personal flexibility and how much such person does the adaptive selling practice, there are five categories:

1. self-monitoring: the theory of self-monitoring suggests that individuals have a consistent pattern in terms of the degree to which they modify their self-presentation in response to situational cues. So, people who are high in self-monitoring should demonstrate more cross-situational variability in behaviour than people who are low in self-monitoring. Lennox and Wolfe, in the developed model made by them in the article "Revision of the self-monitoring scale", created a revised self-monitoring scale consisting of four subscales assessing: the ability to modify self-presentation, the sensitivity to expressive behaviour by others, the cross-situational variability, and the attention to social comparison information. Three of these aspects of self-monitoring are related directly to some of the elements describing adaptive selling, such as the use of different sales strategies across situations, sensitivity to customer reactions, and adaptation during interactions. To sum up, there is a link between the aspects of self-monitoring and the one of adaptive selling, and they are ability to modify self-presentation, sensitivity to expressive behaviour in others, and cross-situational variability. The

fourth aspect of self-monitoring, attention to social comparison information, is not considered because of the conceptual difference between attempts to emulate the behaviour and dress of other individuals in a social setting and the analogous concept of attempting to uncover and satisfy customer needs in an industrial sales setting;

2. Empathy: empathy, at the most general level, is the reaction of individuals to the observed experiences of other individuals. Observers can have a variety of potential reactions. Davis, in the paper " A Multidimensional Approach to Individual Differences in Empathy" has distinguished between four types of empathy reactions: perspective taking, fantasy, empathetic concern, and personal distress. The fantasy and personal distress aspects of empathy appear to be unrelated to the practice of adaptive selling; however, perspective taking and empathetic concern are associated with aspects of adaptive selling such as the perception that customers differ in terms of needs and the collection of information to facilitate adaptation;

3. Androgyny: androgyny has been defied as the degree to which individuals feel that they are characterized by traits culturally associated with either men or women. Androgynous people perceive themselves as being both assertive and yielding and both instrumental and expressive. For the androgynous person, the specific interaction pattern adopted depends on the situational appropriateness of the behaviour. In contrast, the interaction pattern of

strongly sex-typed individuals is limited because of their desire to engage only in behaviours associated with their perceived sex role. Hence, androgyny is related to flexibility in interpersonal interactions-an aspect of adaptive selling.

4. Being an opener: individuals differ in the degree to which they are predisposed to open up or bring out intimate information from other people. That is, some people seem to be more able to get others to talk about themselves. This kind of person that has this quality. This personality trait is related conceptually to the active collection of information about customer needs in adaptive selling;

5. Locus of control: locus of control can be defined as a predisposition in the perception of what caused a reward or favourable payoff and how individuals react to the reward on the basis of this perception. Beliefs that rewards are typically given by luck, chance, or fate or are simply unpredictable indicate an external locus of control. An internal locus of control is associated with a tendency to perceive that rewards are typically the results of one's own behaviour. Personal efficacy and interpersonal locus of control are related to the confidence salespeople have in using different approaches and adapting during interactions.

As it is discussed above, an important prerequisite for choosing the best use of adaptive selling is that the sales person must have a division and rough idea of sales situations stored in memory. In this way, a knowledgeable sales man that looks at each new sales situation can recognize similarities with precedent sales situation from either past experiences or training situations. By doing so, the sales person can find the best tactics for a successful sales process. Once the sale process is successfully complete, the related situation is stored in the person's mind and can be reused for future adaptive selling necessity.

Improving adaptive selling techniques among sales person requires a clear and well-organized scheme of customer categories. Much of the research on organizational buying indicates that the situation facing the customer is one of the best predictors of the buying process. Thus, customer perceptions of the buying situation can provide the basis for categorizing and responding to specific circumstances (Bunn & Shaw-Ching Liu; 1996). If adaptive selling is considered by the buying side, new consideration must be done. That's because a buying decision can be viewed as an instance of risk taking, and because buying behaviours can be thought of as risk handling strategies. Perceived risk is thought to be defined as the composition of the magnitude of adverse consequences if a wrong choice is made, and the uncertainty under which the decision is made. These two dimensions, which can be

defined as "purchase importance" and "task uncertainty," seem to be the two mainly considered aspects of risk.

TASK UNCERTAINTY		
	LOW	HIGH
PURCHASE IMPORTANCE — LOW	Category 1: Low Risk *PURCHASE SUPPORT*	Category 2: Moderate Risk *FRUSTRATING SITUATION*
PURCHASE IMPORTANCE — HIGH	Category 3: Moderate Risk *EFFICIENCY OPTIMIZING*	Category 4: High Risk *STRATEGIC CHALLENGE*

Fig. 2.2: situations of Adaptive Selling (source: Bunn, Shaw-Ching Liu, 1996)

The first dimension, purchase importance, obviously is related to the relative financial engagement of the decision. This means that an important aspect of purchase importance is, as logic clearly suggest, the amount of money on the table. However, money is not necessary all that count in this dimension. In fact, another important aspect, is the importance of the object of negotiation for a strategic use in the company. For example, a heavy machinery for increase the production can be useful for the long-term strategy of the company. Of course, the price in this example stills relevant, but for strategic plans the machinery can be fundamental as an investment for the future.

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The second dimension, task uncertainty related to a buying decision, can be defined as the buyer's perceived lack of information relevant to a decision situation. In a company, the primary function of organizational buyers, is to collect all the possible information reducing as more as possible costs and reducing the uncertainty of the decision. As a consequence, this process helps the company to make a more effective decision for the strategic activities of the firm itself. However, reality is more complicated than theory suggest. In fact, collect all the information available about a product is in concretely impossible. The problem here is how to know if the information that organizational buyers is enough to take the right decision.

Logically, these two dimensions of risk should be considered separately to better understand the customer's situation. The proposed framework therefore considers both the levels (obviously low and high) and types of risk by crossing purchase importance and task uncertainty and identifying four categories of customer situations.

Crossing both the dimensions and dividing in high and low, we obtain 4 customer situations. These are showed in the picture below. The low-risk situation (on the upper-left) is characterized by a minimum of both purchase importance and task uncertainty. It is defined as the purchase support situation. In the low-risk situation, buyers make decisions in a short period of time with the lowest level of effort: few suppliers need to be contacted, the decision rarely requires third parts' involvement,

and very small amount of information is needed. What little information is needed comes from purchase history records and sales representatives. The most important criteria are product suitability, supply availability, and on-time delivery. Price and customer support are less important to the customer in this situation. Overall then, the customer seems to focus on the routine aspects of purchasing, such as processing the order.

The high-risk situation at the other extreme (on the bottom-right) is high on both dimensions of risk. This extreme of the matrix is defined as the strategic challenge situation. Of all the customer situations, the most activity and effort take place for this category. Not only is the purchase fundamental to the organization, but also there is much uncertainty surrounding the final decision. There is much effort to research and find useful information to reduce the uncertainty, more participants are involved in the process, a larger number of suppliers are contacted, and all of this takes more time than for other decisions facing the customer.

Similarly, two categories define moderate-risk situations. In the upper-right quadrant of the matrix, the so-called frustrating situation, the purchase is of low importance, but there is a high degree of task uncertainty. This category is defined as a situation marked by a moderate level of risk. The decision seems to have little importance and yet, the customer faces much uncertainty. Compared to the purchase support category situation is obviously similar in low importance, but

requires significantly more activity on the part of customers. None of the decision criteria are very important relative to the other three purchase types. The uncertainty surrounding the situation seems to preclude a clear idea of just what criteria should be relevant to this type of purchase. Moreover, because it is not an important decision, the customers are not much concerned about the decision criteria.

And finally, in the bottom-left, the so-called efficiency optimizing situation, high purchase importance creates a moderate level of risk. The customer situations described by this categorization differ from one another in ways that are important to sales representatives. This category is very similar to the previous one on the characteristics of the decision process and thus, the time and effort required to complete the purchase. Because there is much less task uncertainty in this category situation, however, there is the potential for a deeper investigation. When facing an efficiency optimizing category situation, customers not only look at user needs, but also assess market conditions. A wide range of decision criteria are important, but the clarity of the situation allows the buyer to use price as a determining factor.

The distinctions between categories 1 and 4 are very obvious. As a consequence, customers will probably exert a minimal amount of effort in the purchase support situation, the least risky and an enormous amount of effort in the strategic challenge situation the riskiest. Obviously, because the other two categories represent

moderate levels of risk, they are more difficult to judge the possible variations in the customer's buying decisions because the sources of the risk are different.

Adaptive selling is similar to what individuals do in their normal life, that is to decide how to communicate in the most efficient way with the individuals to achieve a particular goal. For example, when we talk with our close friends we do in a very confidential way; when we talk with our boss, we use a more formal communication instead. It's also likely that interactions with each of these friends differs one from the other. Perhaps one friend needs tons of information to make a decision, while another friend makes a decision in an instant. This is the same concept of the adaptive selling one: Instead of friends or boss there are just clients, and the context is a negotiation. So, the first question that should come to our mind is: How to recognize the type of person we have to deal with and which type of communication should we use? How to recognize people and the differences in their style, perceptions, and approaches to things is defined in the so-called social style matrix. It is an established method that helps to understand how people behave so negotiator can adapt the selling style in the most effective way. The social style matrix is based on patterns of communication behaviour. It plots social behaviour based on two dimensions: assertiveness and responsiveness. Picture below shows this matrix with the four dimensions. The X axis is assertiveness, which indicates the degree to which a person wants to dominate or control the thoughts of others.

The Y axis represents responsiveness, which is the degree to which a person outwardly displays emotions or feelings in a relationship. each quadrant represents one of four social styles: analytical, driver, amiable, and expressive. Each of these styles describes a different type of behaviour (Waits, Castleberry & Tanner; 2009).

Fig. 2.3: the social style matrix (source: Waits, Castleberry, Tanner; 2009)

Each of the social styles has specific characteristics that are important to keep in mind as salesman prepare and present the sales presentation. Adapting to someone's social style demonstrates the law of psychological reciprocity, which says that when an individual adapts to someone's style, that person will move toward this style.

The first category is the one defined Analytics. The analytics category includes people who wants to know the facts to make a decision, such as parents or a professor when you propose something to them. Analytics are all about the facts. This category of people is defined by low responsiveness and low assertiveness. In other words, analyticals like to hear about the pros and cons and all the details

before they decide. They are likely to be well prepared in the topic with a probably high important background, and they are pride on being an expert in their field. They want to hear about the potential result, timeline, and all the details before they make a decision. They are so focused on facts that they prefer to disregard personal opinions in their decision making. They like to understand all the facts before they decide so they know exactly how the product, service, or contract arrangement will work.

If the client to deal with is categorized as an analytical, he will ask very specific questions about all the details, and he will respond positively if the other part make him feel as if he is right. It is also fundamental not to challenge his facts or his point of view. Rather, suggestion is to provide history, data, financial details, and other facts in an organized, structured format. He will ask many questions so that he clearly understands the product or service. Since it's important for him to make the right decision, he will take the time to gather all the facts. Because he puts so much effort into making the right decision, he tends to be loyal to the people from whom he buys, believing he doesn't need to revaluate the same facts.

The best tactic to adopt with these kinds of people is to provide all the possible information and expose it in a clear way, trying not to rush the client. That's why Analyticals wants to know "How".

The second category is the people called "drivers": drivers have some characteristics that are the same as analyticals in that they like to have all the facts to make their decision. However, drivers are different from analyticals because they make decisions quickly. On the social style matrix, they are in the low responsiveness like analytical, but they are high in assertiveness. These are the people who are maniacs for controlling everything and everybody. They work with people because they have to; they see other people only as a mean to reach by all means their goal. They are smart, focused, independent, and competitive. They have little regard for the opinions of others; a driver is rarely described as a "people person." They are high achievers who are in a hurry to meet their goals. They don't want facts just for the sake of having them; they want relevant information that will help them decide quickly. Like the analyticals, drivers dress conservatively and display their achievement awards on the wall of their office. The best way to adapt to a driver is to be professional and to the point. Don't spend too much time on small talk; get to the point quickly. Also, do the best to let them think that they are in control of the situation is a successful strategy when salespeople deal with this kind of person. This is why drivers wants to know "what".

The third category is called "Amiables". They are less controlling than drivers and more people oriented than analyticals because they are in the low assertiveness, however they are in a high position related responsiveness in the social matrix. An

amiable type of person is most likely to be described as a very sociable and available person. Amiables are team players who focus on innovation and long-term problem solving. They value relationships and like to engage with people whom they feel they can trust. When a negotiation occurs with an amiable, establish a personal relationship is fundamental. Once a good relationship is established the person will be more likely to discuss issues. Then, it's important to demonstrate the personal commitment, trust will be created and discussions and negotiations will start. That's why amiables want to know "why"

The last category is the so-called expressives. An expressive is intuitive, charismatic, persuasive, nurturing, and engaging. Generally, relationships are important to him, but only as a mean to achieve higher goals. Expressives are creative and can see the big picture clearly; they have a vision and use their style to communicate it and inspire people. They don't get caught up in the day-to-day details. Expressives build relationships to gain power, so people like employees, viewers, or voters are very important to them. Status and recognition are also important to them.

When a negotiation occurs with an expressive, extra time to discuss everything must be taken. The approval of the expressive is vital for the success of the negotiation. To obtain his approbation, appeal to his emotions by asking him how he feels about

the product or service is important. Trying to convince this kind of people with just facts, charts or numbers will be a complete disaster.

That's why expressives wants to know "who".

2.1.2 Cultural Adaptation

While adaptive selling focuses on a specific ability, it is not specific to a particular cultural context such as culturally diverse situations. A salesperson otherwise capable of effectively adapting within his or her home culture may not be able to do the same in another one. Cultural adaptation therefore refers to those situations in which the salesperson alters his or her behaviours based on the cultural background of the customer. While the previous discussed factors influence salesperson performance, cultural adaptation is a particularly important aspect for those selling in intercultural settings given the extreme differences that exist across cultures. And that's another fundamental aspect about adaptive selling: a relationship with the cultural intelligence, a need for companies to recruit a certain type of individual for sales positions.

Fig. 2.4 describes the process of cultural adaptation. Since cultural adaptation is given by both adaptive selling techniques and cultural intelligence knowledge, the four means that increase individual's CQ already saw in the previous chapter, are here fundamental for a successful performance:
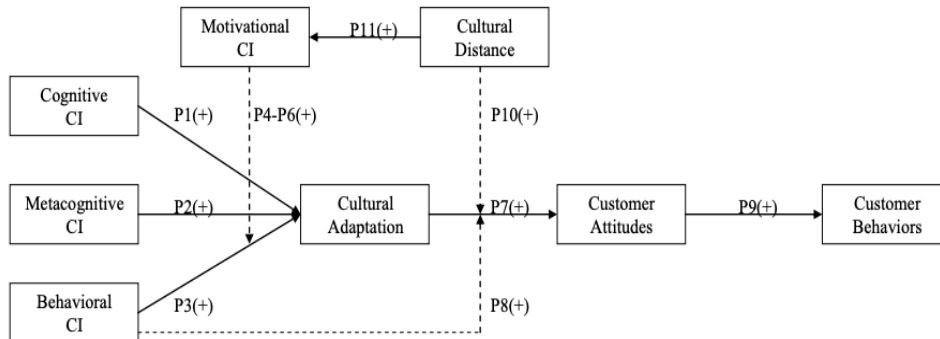
Fig. 2.4: Cultural Adaptation Framework (source: Hansen, Singh, Weilbacker & Guesalaga; 2011)

Individuals with high CQ, thanks to cognitive means have developed a deep understanding of the norms, practices, and conventions common to different cultures through their education and personal experiences. They are able to understand political and economic systems, institutions, and cultural values, and have advanced cognitive categorization schemes through which they can recognize similarities and differences across cultures.

Individuals, thanks to metacognitive means, have advanced information acquisition skills, and are consciously aware of others' cultural preferences before and during interactions. They question cultural assumptions and adjust their mental models during and after interactions. They not only understand the processes through which

they can enhance their cultural understanding, but also the means through which this understanding should be applied during interactions.

Thanks to physical means (in the picture is called behavioural) individuals develop the capability to exhibit appropriate verbal and non-verbal actions when interacting with people from different cultures. They are effective at adapting to the culture of their customer based on their broad range of communication capabilities, such as exhibiting culturally appropriate words, tone, gestures, and facial expressions. These capabilities provide the means through which cognitive and metacognitive knowledge of culture can be applied. Behavioural driver also affects directly the performance of cultural adaptation.

However, the most important mean here is the motivational mean. Thanks to it, individuals are able to either maximise or minimize the level of attention and energy toward learning about and functioning in situations characterized by cultural differences. Also, motivational means influence the others three drivers, because if the level of motivation is low, the improvement of cultural intelligence by the other three is not effective.

Motivational mean is strongly influenced by cultural distance, the degree by which one culture differs from another. Also, cultural distance influence cultural adaptation effectiveness.

This cultural adaptation effectiveness happens when the seller has the ability to create a good relationship between him and buyers from different cultural background thanks to cultural adaptation. If cultural adaptation is effective, a good relationship with customers will be created. Thanks to this, buyer's attitude will be influenced and, thanks to this, the behaviour. In this way, the process will be completed with a successful sale.

2.2 International Negotiations

Now that we have analysed some characteristics of adaptive selling, we can extend our research linking it with the concept of international negotiations. These two concepts can be related because a negotiation is the main object of both practices. Also, common characteristics of the negotiators are common in both practice, such as the cultural factor, that plays a fundamental role in the decision of the type of communication and the decision of the strategy for conclude positively the negotiation. Also, external factors are important in both adaptive selling and international negotiations, even if there are differences. Now we define international negotiations, and in the next chapter there will be an analysis of negotiations in four different countries, using a cross-cultural analysis and giving the so-called business etiquettes.

In pursuing opportunities in the global marketplace, managers increasingly engage themselves in international business negotiations. International negotiations are one

of the most challenging tasks in businesses, and managers may spend a very huge amount of their time negotiating. The final awards involved in international negotiations are almost every time quite important and despite the intention of negotiating parties to reach successful agreements, the possibility of a failing negotiation is concrete. The consequences of failure in international negotiations are also high, including limitations on the scope and profit potential of companies, significant increases in nonrecoverable expenses, and, perhaps most importantly, decreases in the motivation of the international negotiators. International negotiators require additional skills and competencies on top of those required in domestic business negotiations. Nonetheless, domestic sales forces are increasingly addressing multi-cultural target markets, making the skills required of international negotiators necessary for the domestic sales force. The article " International business negotiations Present knowledge and direction for future research", written by Nina Reynolds, Antonis Simintiras and Efi Vlachou, the authors find some fundamental aspects of international negotiations, and the related specific characteristics of each one.

the main 5 aspects or characteristics of international negotiation are:

- Condition of negotiations;
- cultural influences;
- characteristics of the individual negotiators;

- the negotiation situation itself;

- the outcome of the negotiation.

Conditions of the negotiation are all the aspects that influence the negotiation, not directly, but because they are a fundamental part of the context. Generally, they are divided into two main sub-categories: external or environmental influences, and internal or organisation related factors including decision making.

The external or environmental influences can be recognized as the factors related to the economic, legal and political environment, such as financial aspects (currency fluctuations and foreign exchange), foreign government controls, instability and change, and the presence of a good legal system. At first sight it can be arguable that differences in political, legal and economic systems have an impact on the outcome of the negotiation (specifically on joint gains), but underestimate this aspect in international negotiation is a huge mistake. In certain countries contracts and trade laws could not be relied on because they took too much time to be enforced and governmental intervention was evident in the organisation's functioning. In others private property laws might be ineffective in protection of fundamental assets such as patents or intellectual property. In international business negotiations, therefore, companies have to adjust their targets as a result of the host country's economic stability, political risk, and operating-level restrictions. The location in which the negotiation took place (being the guest or the

host) also constituted a focal decision in international negotiations that might impact on the negotiation outcome.

The internal/organization factors and organizational decision making are those aspects that are strictly related and influenced by the type of company and how the company works in general. A variety of factors can be grouped under this category, such as the differences in negotiation behaviour between different types of business, such as industrial vs consumer product firms or service vs manufacturing firms. If these differences are not considered, the success of negotiation can be compromised. Company image can also be seen as an important factor affecting the negotiation outcome, especially nowadays. Last but not least, company size must be considered too. In addition, several organisational dimensions, such as individuality, planning, and group decision orientation can be related and classified under this category. Decision-making processes such as leadership, intra-organisational consensus, degree of centralisation/decentralisation, are fundamental aspects of organizational decision making, as well as organisation's decision to use third parties such as agents, advisers, consultants, introducers, interpreters, and translators in international negotiations. Stakeholders were also found to influence the dynamics of the international negotiation process. In addition, previous collaboration between firms can be considered as an influence on negotiation outcome through its impact on negotiators' behaviours. Moreover, availability of

discontinuing financial situation can influence the final agreement and both the transaction complexity and the nature of the negotiating firms' strategic goals and objectives, having an impact on the international business negotiation process.

Cultural factors are every aspect of the cultural dimension already treated that can influence in one way or another the negotiation process. many of the difficulties in international business negotiations are considered to derive from these factors. In international negotiation, to have the best result possible, the cultural aspects should be considered as a key point and must be considered in the negotiation process. Of course, Hofstede' cultural dimensions model is used to deal with international companies in the best way possible. We will apply Hofstede's theory with a cross cultural analysis in the next chapter.

The personality type of negotiators is also an important part of international negotiations. Consideration of the impact of personality types on the effectiveness and outcome of negotiations, as well as their impact on the content and style of communication in negotiations are the main aspects of this category. The degree of adaptation is yet another negotiator characteristic that is considered to influence negotiation behaviour, either on its own or in relation to the time orientation of the negotiators; similarly, characteristics such as trusting nature, risk-aversion, problem solving capacity, conciliatory disposition and experiences that affects negotiators' personality can be classified under this important aspect. In addition, some studies

consider how individuals from different cultural groups tends to exhibit differing levels of emotionalism that manifested in a variety of ways during negotiations. Negotiator communication skills, such as foreign language proficiency, are also recognised as important factors in international business negotiations. Researchers also examined foreign accent and found that it affected source credibility in international communications. More complex aspects of communication (i.e. communication style) were also investigated. Various aspects of communication style, such as direct and indirect communication, the message itself, background information, information exchange and sharing, verbal expression, non-verbal communication, conversational features and language between culturally dissimilar negotiations, are also part of this dimension.

the negotiation situation itself is quite confusing, because at first sight is similar to internal or organization related factors including decision making, but going more in deep the differences will become clear. The issues that fall under this category are fairly broad and can be divided into three main areas:

- Issues that look at the task-related aspects of negotiation (particularly persuasion/negotiations strategies, and concession making and agreement). The bargaining strategies/tactics that are considered part of this dimension includes integrative and distributive strategies; in fact, these are considered part of this dimension considering in particular both the type of

communication employed and negotiation outcomes. Cultural factors (e.g. individualism, uncertainty avoidance) are also explicitly linked to the choice of strategies used in international business negotiation. Individualism is also examined in relation to negotiation outcomes and judgemental accuracy. Persuasion, as part of a bargaining strategy, is also related to power and bargaining tactics. Another task-related aspect of negotiation that can be related to this category is the concession making and a mutual agreement. Studies looking at conflict style/resolution considered the relationship between conflict, face maintenance, and/or value orientations in various cultural contexts (individualism, power distance, high/low context communication). In addition, concession-making behaviours are found to differ significantly across different cultures. Finally, the agreement, a negotiated contract or relationship, its form (written or oral), the degree of specificity, and the legal standing in various cultural settings are also considered part of this category;

- Issues related to the non-task aspects of negotiation (e.g. impression formation accuracy, status distinction and interpersonal attraction). Status distinction as a subject of investigation is concerned with the functions of status distinction (occupational, social and "halo effects") that can be useful as a guide of how to behave during negotiations. Status distinction is considered part of this category in relation to cultural dimensions and the

role of the negotiator (buyer or seller). The importance attached to negotiation protocol by different cultures was also examined. Aspects that must be considered are also dress codes, titles, handshakes, touching, physical closeness, seating arrangements, timing of breaks, number of parties, planned duration of the negotiation process, entertainment, socialising and gift giving across cultures. It is also important remember how the degree of interpersonal attraction influenced international business negotiations. For example, the concept of similarity was examined in relation to interpersonal attraction and the resulting negotiation outcome;

- Issues related to the nature of negotiation, that consider what is the purpose of negotiation, what are the ethical issues that impact on the negotiation process. For example, building a solid relation and mutual trust among parties are considered important influencing factors in international negotiations. Another aspect of negotiation that should be considered is ethics. The ethical norms and issues pertaining to what constitutes ethical behaviour, issues such as bribery, personal favouritism, fairness, misrepresentation of information, bluffing, and deception are not always accepted, and the consequences can affect the final outcome of the negotiation. Also, risk and uncertainty perceived by negotiators are factors influencing the nature of international business negotiations.

Many of the factors related to the negotiation outcome can be related to the performance of the joint business and the degree of relationship building. In fact, all the possible scenarios that can happen at the end of negotiation are important aspect of this dimension. For example, the impact of organisational emphasis on a short versus long term business relationship is planned and decided in relation to the outcomes desired and achieved through negotiations. Furthermore, in international negotiations it is found that negotiators from some cultures find themselves more satisfied when joint gains are maximised, whereas negotiators from other cultures are more satisfied when they achieved outcome parity. Negotiator-related factors, such as problem-solving approach, attractiveness and self-interest in relation to negotiation outcomes are also important parts of this last aspect of international negotiations.

3. COUNTRY ANALYSIS

In this last part, a cultural analysis of four selected countries will be done. Also, business etiquettes will be discussed and a generally explanation will be provided.

Business etiquettes are all the manners that guide righteous behavioral decisions in one's professional life (Post, 2007). So, they are related to communication in business context, such as clothing, respect of the time of appointment of meetings, the meaning of the business lunch, the respect of the protocol, and so on. They can be viewed as a mean of communication (both verbal and non-verbal), and a huge degree of cultural intelligence is required to understand them and behave properly (for example, when adaptive selling is used).

The four countries selected are: Italy, Germany, United States and Argentina; the first two are European, while the last two are American. The cultural analysis provided is the 6-dimension model provided by Greet Hofstede. Business etiquettes are divided in three main areas of competence: Relationship, respect and formalities that analyse general aspects of the culture such as business attires and relation with negotiation counterparts; communication that focus on the types of communication (either verbal or non-verbal) typical of members of the country analysed; negotiations that emphasize the behaviour of individuals during the negotiation process.

3.1. Italy

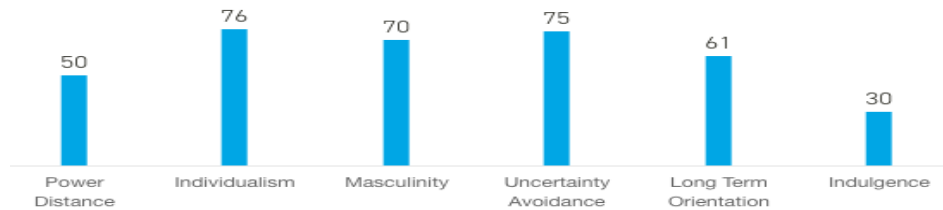3.1.1 Hofstede Cultural 6 dimension

Fig.3.1: Italian cultural model (source: hofstede-insights.com)

- Power Distance

Scoring 50, Northern Italy tends to prefer equality and a decentralisation of power and decision-making. Control and formal supervision are generally disliked among the younger generation, who demonstrate a preference for teamwork and an open management style. Bear in mind that the high score on Individualism accentuates the aversion of being controlled and told what to do. In Southern Italy all the consequences of PDI are often high, quite the opposite of Northern Italy.

- Individualism

At a score of 76 Italy is an Individualist culture, "me" centred, especially in the big and rich cities of the North where people can feel alone even in the middle

of a big and busy crowd. For Italians having their own personal ideas and objectives in life is very motivating and the route to happiness is through personal fulfilment. This dimension does vary in Southern Italy where less Individualist behaviour can be observed: the family network and the group one belongs to are important social aspects, and rituals such as weddings or Sunday lunches with the family are occasions that one can't miss. People going from Southern Italy to the North say that they feel cold not only for the different climate but for the less "warm" approach in relationships.

- Masculinity

At 70 Italy is a Masculine society – highly success oriented and driven. Children are taught from an early age that competition is good and to be a winner is important in one's life. Italians show their success by acquiring status symbols such as a beautiful car, a big house, a yacht and travels to exotic countries. As the working environment is the place where every Italian can reach his/her success, competition among colleagues for making a career can be very strong.

- Uncertainty Avoidance

At 75 Italy has a high score on Uncertainty Avoidance which means that as a nation Italians are not comfortable in ambiguous situations. Formality in Italian society is important and the Italian penal and civil code are complicated with clauses, codicils etc. What is surprising for the foreigner is the apparent

contradiction between all the existing norms and procedures and the fact that Italians don't always comply with them. But in a bureaucratic country one learns very soon which the important ones are and which are not, in order to survive the red tape. In work terms high Uncertainty Avoidance results in large amounts of detailed planning. The low Uncertainty Avoidance approach (where the planning process can be flexible to changing environment) can be very stressful for Italians.

- Long-Term orientation

Italy's high score of 61 on this dimension shows that Italian culture is pragmatic. In societies with a pragmatic orientation, people believe that truth depends very much on situation, context and time. They show an ability to adapt traditions easily to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results.

- Indulgence

A low score of 30 indicates that Italian culture is one of Restraint. Societies with a low score in this dimension have a tendency to cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms and feel that indulging themselves is somewhat wrong.

3.1.2 Business Etiquettes analysis

    1.   Relationship, respect and formalities

Building lasting and trusting relationships is important to most people in this country. However, they are not a necessary precondition for initial business interactions, at least in the northern parts of the country. Southern Italians may expect to establish strong bonds prior to closing any deals. Generally, Italians tend to follow their feelings and intuition. Many of them prefer to do business only with people they know and like. Establishing personal relationships with others in Italy can create powerful networks and it may help to achieve the business objectives. It is also important who you know; it may determine whether people want to get to know you. Similarly, whether people think you are worth knowing may weigh more strongly than what proposals you have to make. Maintaining honest and cordial relations is crucial.

When dealing with Italians, especially those in the South, nothing matters more than a concept known as "bella figura" (beautiful posture). It means maintaining the right sense of civility and formality at all times. This includes a person's sense of honour, the ability to be assertive without appearing arrogant, how well he or she presents and expresses himself or herself, and many other actions and behaviours that are expected to contribute to the beauty and sense of order in the world. In

Italy's business culture, the respect a person enjoys depends primarily on his or her status, rank, and age. It is important to treat elderly people with the greatest respect.

Good and fashionable attire is very important when doing business here. First impressions can have a significant impact on how people view you.

2. Communication

The country's official language is Italian. Many Italians, especially in the South, do not speak English well. When communicating in English, speak in short, simple sentences and avoid using slang. It will help people with a limited command of English. Italians will rarely admit if they do not understand parts of the conversation. Even when the main meeting language is English, Italian counterparts will frequently speak Italian among themselves, not necessarily to shut the other part out from the discussion but to reduce their discomfort and ensure a common understanding among them.

Southern Italians often speak loudly and passionately. They enjoy eloquent and elaborate discussions, which may sometimes become heated and emotional debates. In addition, they may interrupt each other frequently. People may show their emotions very openly. Italians in the South generally converse in close proximity, standing only two feet or less apart. Never back away, even if this is much closer than your personal comfort zone allows. Doing so could be read as a sign that you are uncomfortable around them.

While Northern Italians also appreciate animated discussions, business meetings are usually quieter affairs here. Emotions may still be shown, though, and silence likely delivers a negative message. In conversations, Northern Italians may stand a little further apart than their compatriots in the South.

Communication in Italy is usually not overly direct. People may not get straight to the point when trying to get a message across, and read between the lines to understand what is being conveyed must be demanded. Especially in the South, they may say what they think the counterpart want to hear rather than what they really think. However, Italians will not find it difficult to say 'no' if they dislike a request or proposal. They will appreciate constructive criticism if made in a respectful and not overly blunt manner. Silence is again rare and usually signals that there is a problem.

Gestures and body language can be extensive. It is often not a good idea to imitate them, though. Italians tend to gesticulate a lot. There may be frequent physical contact with others of the same gender. Eye contact should be frequent, almost to the point of staring. This conveys sincerity and helps build trust. Anger may sometimes be masked with a smile.

3. Negotiation

Choosing a local intermediary who can leverage existing relationships to make the initial contact is important, since having a contact is advantageous for doing

business in this country. This person will help bridge the gap between cultures, allowing the other part to conduct business with greater effectiveness.

While meetings may start considerably late, Italians generally expect foreign visitors to be punctual. Avoid being more than 10 to 15 minutes late, but if it's impossible, a call to explain the situation must be done. This is less critical in the South of the country. Meetings start with small talk, which can be extensive. It is important to be patient and let the other side set the pace. Initial meetings can be quite formal, but this usually gets more relaxed as the relationship develops. Humour will be appreciated as long as it is not sarcastic or cynical. The goal should be to establish respect and trust between the parts. It is unrealistic to expect initial meetings to lead to straight decisions.

Leveraging relationships is an important element when negotiating in Italy. Generally, Italians expect long-term commitments from their business partners and will focus mostly on long-term benefits. Should a dispute arise at any stage of a negotiation, a resolution or an acceptable compromise can be quite easily reached by leveraging personal relationships, assuming that they are strong enough. Expect negotiations to be slow and protracted and be prepared to make several trips to achieve the companies' targets are important to be kept in mind before starting negotiations with Italians. Information gathering, bargaining, and decision making may take considerable time.

If Italians appear to be stalling the negotiation, assess carefully whether their slowing down the process indicates that they are evaluating alternatives or that they are not interested in doing business with counterparts. Italians, especially in the South, are used to hard bargaining and haggling. They may expect to do a lot of it during a negotiation. Strong emotions and much drama may accompany the process, with a wide spectrum reaching from flattery to bitter complaints, but never open aggression. Deceptive techniques are frequently used. This includes tactics such as telling lies and sending fake non-verbal messages, pretending to be disinterested in the whole deal or in single concessions, misrepresenting an item's value, or making false demands and concessions. Negotiators in the country may use pressure techniques that include making final offers or nibbling. Final others may come more than once and are rarely final. Italians may also sometimes make surprise demands in a similar 'take it or leave it' style.

Emotional negotiation techniques, such as attitudinal bargaining, sending dual messages, attempting to make you feel guilty, grimacing, or appealing to personal relationships, are frequent and can be effective. Be cautious not to hurt someone's personal pride when employing any of these tactics, though. At times, defensive tactics such as blocking or changing the subject, asking probing

or very direct questions, making promises, or keeping an inflexible position may be used.

Corruption and bribery are somewhat common in Italy's public and private sectors, especially in the South. However, people may draw the line differently, viewing minor payments as rewards for getting a job done rather than as bribes. Also, keep in mind that there is a fine line between giving gifts and bribing. What you may consider a bribe, an Italian may view as only a nice gift.

When making decisions, businesspeople usually consider the specific situation rather than applying universal principles. Personal feelings and experiences weigh more strongly than empirical evidence and other objective facts do, but all aspects are considered. Italians are often uneasy with change and reluctant to take risks.

3.2 Germany

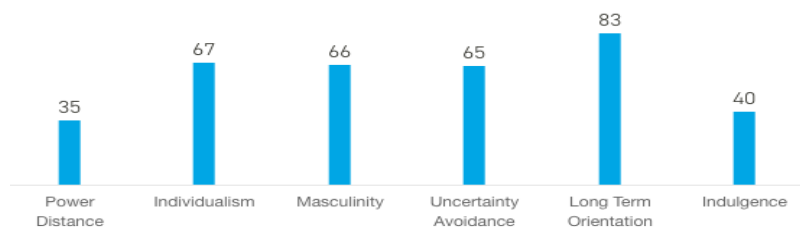### 3.2.1 Hofstede Cultural 6 dimension

Fig. 3.2: German cultural model (source: hofstede-insights.com)

- Power Distance

Highly decentralised and supported by a strong middle class, Germany is not surprisingly among the lower power distant countries (score 35). Co-determination rights are comparatively extensive and have to be taken into account by the management. A direct and participative communication and meeting style is common, control is disliked, and leadership is challenged to show expertise and best accepted when it's based on it.

- Individualism

The German society is a truly Individualist one (67). Small families with a focus on the parent-children relationship rather than aunts and uncles are most common. There is a strong belief in the ideal of self-actualization. Loyalty is based on personal preferences for people as well as a sense of duty and responsibility. This is defined by the contract between the employer and the employee. Communication is among the most direct in the world following the ideal to be "honest, even if it hurts" – and by this giving the counterpart a fair chance to learn from mistakes.

- Masculinity

With a score of 66 Germany is considered a Masculine society. Performance is highly valued and early required as the school system separates children into different types of schools at the age of ten. People rather "live in order to work" and draw a lot of self-esteem from their tasks. Managers are expected to be decisive and assertive. Status is often shown, especially by cars, watches and technical devices.

- Uncertainty Avoidance

Germany is among the uncertainty avoidant countries (65); the score is on the high end, so there is a slight preference for Uncertainty Avoidance. In line with the philosophical heritage of Kant, Hegel and Fichte there is a strong preference for deductive rather than inductive approaches, be it in thinking, presenting or planning: the systematic overview has to be given in order to proceed. This is also reflected by the law system. Details are equally important to create certainty that a certain topic or project is well-thought-out. In combination with their low Power Distance, where the certainty for own decisions is not covered by the larger responsibility of the boss, Germans prefer to compensate for their higher uncertainty by strongly relying on expertise.

- Long Term Orientation

Germany's high score of 83 indicates that it is a pragmatic country. In societies with a pragmatic orientation, people believe that truth depends very much on

situation, context and time. They show an ability to adapt traditions easily to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results.

- Indulgence

The low score of 40 on this dimension indicates that the German culture is Restrained in nature. Societies with a low score in this dimension have a tendency to cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms and feel that indulging themselves is somewhat wrong.

3.2.2 Business Etiquettes analysis

1. Relationship, respect and formalities

Business relationships are often only moderately important in this country and are usually not a necessary precondition for initial business interactions. Germans' expectation may be to get to know the counterpart better when they will start to do business together. Until business interactions that have met their approval have been conducted, most Germans will be very cautious, appear quite reserved, and proceed slowly. Once the necessary trust has been established, though, there will be a sense of loyalty to the counterpart as a

respected business partner, which can go a long way term relationship, even when a difficult situation can arise. Most German businesspeople expect their partners to make a long-term commitment to the engagement. Although they prefer to keep business and private life separate, it is possible to build strong personal relationships with German business partners. This will take time, usually months or even years. Honesty is a key factor and trust is much more easily lost than gained in this country. Paradoxically, if a German counterpart tells some unpleasant truths, that may actually indicate that they feel good about the relationship with foreign counterpart.

In Germany's business culture, the respect a person enjoys depends primarily on his or her achievements, status and rank, and education. Admired personal traits include dependability, analytical thinking, knowledge, and experience.

2. Communication

The country's official language is German. Many businesspeople speak English, often well. However, many Germans prefer and are more familiar with British English. Businesspeople may speak a bit louder than those in most other cultures, though usually not as loud as Americans. However, speaking slowly and clearly is a sign of authority. At restaurants, especially those used for business lunches and dinners, keep conversations at a quiet level. Being loud may be regarded as bad manners. People generally converse standing about

three to four feet apart. German communication is usually very direct. Germans dislike vague statements and may openly share opinions, concerns, and feelings with others. In fact, too much diplomacy may confuse and irritate Germans and can give the impression of insincerity. They may ask for clarifications and do not find it difficult to say 'no' if they dislike a request or proposal. At times, people may appear overly blunt and confrontational. Discussions among Germans may appear heated or even combative to the outsider. However, while they are generally quite formal and controlled, people can become highly emotional and show little restraint if their sense of order is challenged. Germans use body language sparingly, although facial expressions and other clues can be quite telling, especially if they dislike an idea or proposal. They may make some physical contact, such as a backslap as a sign of friendship, but such contacts are very rare.

3. Negotiation

Having a local contact can be an advantage but is usually not a necessary precondition to doing business in Germany. If possible, schedule meetings at least one to two weeks in advance, and do not cancel one on short notice since that can be viewed as rude is a vital rule. At any meeting, it is strongly advisable to be very punctual. Being more than 10 to 15 minutes late without having a valid and plausible excuse can be a serious offense.

Meetings may start with little or no small talk. Most of the interactions will focus on business topics. People appreciate a sense of humour but being very careful not to overdo it. One's private life is not a subject for discussion around meetings. Business is a serious matter in Germany. Most meetings are quite formal. While the primary purpose of the first meeting is to become acquainted, the discussion will quickly focus on technical aspects of the business. It is vital to come well prepared as Germans hate wasting time. They may launch into what could feel like an academic oral examination, with many hard-and-fast questions. While this can be very uncomfortable for the foreign counterparts, a high intensity of such questioning signals that the German side is seriously interested.

Since Germans value directness, counterparts must expect comments about both positive and negative aspects of your proposal. Germans are generally suspicious of hype and exaggerations and may respond negatively to an aggressive sales approach. To Germans, negotiating is usually a joint problem-solving process. They may focus equally on near-term and long-term benefits. The primary negotiation style is cooperative, but people may be unwilling to agree with compromises unless it is their only option to keep the negotiation from getting stuck. Since Germans believe in the concept of win-win, they expect to reciprocate their respect and trust. Should a dispute arise at any stage

of a negotiation, a resolution can be found by focusing on logical arguments and additional data.

Negotiations tends to be slow. The methodical and carefully planned approach Germans use in preparing for the negotiation and gathering information takes considerable time, as does the effort needed to work out details of an agreement.

Germans generally prefer a monochronic work style. They are used to pursuing actions and goals systematically, and they dislike interruptions or digressions. When negotiating, they often work their way down a list of objectives in sequential order, bargaining for each item separately, and may be unwilling to revisit aspects that have already been agreed upon. They can get highly agitated or even emotional if a more polychronic counterpart challenges this approach, which they view as systematic and effective. Germans are not fond of bargaining and strongly dislike haggling. Many of them do not appreciate aggressive sales techniques and view negotiations as a 'necessary evil' rather than a process to enjoy. Businesspeople in this country do not make concessions easily.

Although Germans generally prefer a straightforward negotiation style, they also use deceptive techniques, such as telling lies, sending fake non-verbal messages, pretending to be disinterested in the whole deal or in single concessions, misrepresenting an item's value, or making false demands and

concessions. Negotiators in the country may use pressure techniques that include opening with their best offer or showing intransigence. Periods of silence in conversations are normal and may not represent an attempt to use it as a negotiation technique. While German negotiators may occasionally appear aggressive, they rarely view it that way themselves and usually do not employ such behaviour for tactical reasons. They will not shy away from open confrontation if challenged, though. Threats and warnings, openly displayed anger, or walkouts may be used to some degree, but they are normally based upon calculated negotiation strategies rather than aggressive attitudes. Extreme openings are viewed as inappropriate and may upset your German counterparts.

Emotional negotiation techniques, such as attitudinal bargaining, attempting to make others feel guilty, or grimacing, may occasionally be used as a tactic.

Corruption and bribery are very rare in Germany. It is strongly advisable to stay away from giving gifts of significant value or making offers that could be read as bribery.

When making decisions, businesspeople may apply universal principles rather than considering the specific situation. They often dislike 'making exceptions,' even when arguments speak in favour of doing so. Personal feelings and experiences are considered irrelevant in business negotiations, so people focus

on empirical evidence, logical arguments, and objective facts. Germans are often uneasy with change and reluctant to take risks.

3.3 United States
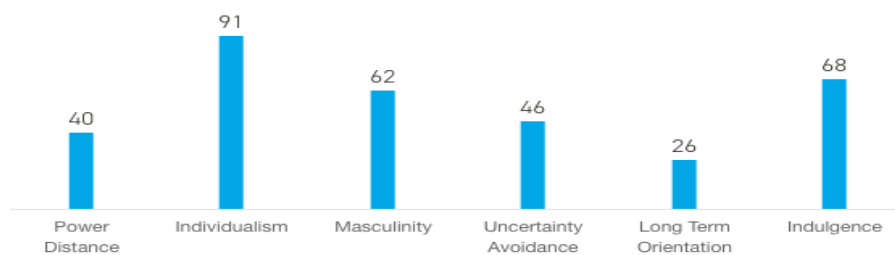
3.3.1 Hofstede Cultural 6 dimension

Fig. 3.3 American cultural model (source: hofstede-insights.com)

- Power Distance

The low score (40) of this dimension, suggest that the perceived distance among social classes is quite low. In fact, US is called "the land of opportunities", in the sense that even the poorest member of it can be successful and move easily from one social class to another; the contrary also is true. Within American organisations, hierarchy is established for convenience, superiors are accessible, and managers rely on individual employees and teams for their expertise. Also, within the exchange-based world of work we see that hiring, promotion and decisions are based on merit or evidence of what one has done or can do.

- Individualism

US is one of the most Individualist (91) cultures in the world. The society is loosely knit in which the expectation is that people look after themselves and their immediate families only and should not rely (too much) on authorities for support. Americans are accustomed to doing business or interacting with people they don't know well. Consequently, Americans are not shy about approaching their prospective counterparts in order to obtain or seek information. In the business world, employees are expected to be self-reliant and display initiative. Competitivity with members of the same teamwork is a common practice.

- Masculinity

The score of the US on Masculinity is high at 62, and this can be seen in the typical American behavioural patterns. Behaviour in school, work, and play are based on the shared values that people should "strive to be the best they can be" and that "the winner takes all". As a result, Americans will tend to display and talk freely about their "successes" and achievements in life. There exists a "can-do" mentality which creates a lot of dynamism in the society, as it is believed that there is always the possibility to do things in a better way Typically, Americans "live to work" so that they can obtain monetary rewards and as a consequence attain higher status based on how good one can be.

- Uncertainty Avoidance

The US scores below average, with a low score of 46, on the Uncertainty Avoidance dimension. As a consequence, the perceived context in which Americans find themselves will impact their behaviour more than if the culture would have either scored higher or lower. Thus, this cultural pattern reflects itself as follows:

There is a fair degree of acceptance for new ideas, innovative products and a willingness to try something new or different, whether it pertains to technology, business practices or food.

- Long-term orientation

The United States scores normative on the fifth dimension with a low score of 26. This is reflected by the following:

Americans are prone to analyse new information to check whether it is true. Thus, the culture doesn't make most Americans pragmatic, but this should not be confused with the fact that Americans are very practical, being reflected by the "can-do" mentality mentioned above. The polarisation mentioned above is, so to speak, strengthened by the fact that many Americans have very strong ideas about what is "good" and "evil". This may concern issues such as abortion, use of drugs, euthanasia, weapons or the size and rights of the government versus the States and versus citizens. The US is the one of the only "Caucasian" countries in the world where, since the beginning of the 20th century, visiting church has increased. This increase is also evident in some post-Soviet republics such as Russia. American

businesses measure their performance on a short-term basis, with profit and loss statements being issued on a quarterly basis. This also drives individuals to strive for quick results within the workplace.

- Indulgence

The United States scores as an Indulgent (68) society on the sixth dimension. This, in combination with a normative score, is reflected by the following contradictory attitudes and behaviour:

Work hard and play hard. The States has waged a war against drugs and is still very busy in doing so, yet drug addiction in the States is higher than in many other wealthy countries. It is a prudish society yet even some well-known televangelists appear to be immoral.

3.3.2 Business Etiquettes analysis

1. Culture, respect and formalities

Generally, business relationships are only moderately important in this country. They are usually not a necessary precondition for initial business interactions. Americans' expectation may be to get to know counterparts better doing business together. As long as they think the other side plays fair and does not waste their time, Americans tend to be friendly and collaborative. Otherwise, they can quickly become aggressive and somewhat hostile. In any case, most people in this country

think it acceptable for partners in a productive business relationship to cooperate and compete at the same time, a view that others from strongly relationship-oriented cultures rarely share, such as Argentina (more in the next country analysis).

Even when the business relationship has become close, there will not necessarily be a strong sense of loyalty. American businesspeople tend to focus on the near-term benefits of their business engagements and may drop even a long-term partner if they believe they will get 'a better deal' elsewhere, focusing much more on the near future than on the past.

In the United States, money is a key priority and monetary aspects tend to dominate most arguments. Financial success may be admired more than anything else, especially if it is hard earned rather than based on inheritance. Status and personal honour play a smaller role. 'Saving face' and many of the social formalities that can be vitally important to other cultures carry little significance here.

In the country's business culture, the respect a person enjoys depends primarily on his or her achievements and to a lesser degree, education. Since age and rank play a smaller role, you may find relatively young people in American negotiation teams or in positions with decision-making authority. Admired personal traits include honesty, perseverance, and expertise, as well as good communication skills.

Neat and clean attire is important when doing business here. However, dress codes can be some- what more casual than elsewhere, especially on the West Coast.

Business lunches are more common than business dinners. Americans often discuss business during meals. Social events do not require strict punctuality. While it is best to arrive at dinners close to the agreed time, being late to a party by 15 to 30 minutes is perfectly acceptable.

2. Communication

American English is different from British English to the point where misunderstandings may happen easily. Businesspeople in this country may speak louder than counterparts from other countries may be used to. A strong voice is generally associated with authority and leadership qualities. At restaurants, including those used for business lunches and dinners, conversations can get much noisier than in most other countries. Americans tend to show at least some of their emotions, though not as openly as Latin Americans. People generally converse standing around three to four feet apart.

There is a distinct difference in the level of directness between the North and the South of the country. Northerners, also many Californians, are often quite direct. They dislike vague statements and may openly share their opinions and concerns. Too much diplomacy may confuse and irritate them and can give the impression of insincerity. They may ask for clarifications and rarely find it difficult to say 'no' if they dislike a request or proposal. They may view this as a simple statement of fact and might not understand that someone else could consider this directness

insensitive. However, Americans' intentions are almost always friendly, even when they may not appear that way.

Communication with people from the South can be a bit more indirect. They generally highlight the positives of an action or proposal before addressing issues with it in order to 'soften' the message. Rather than giving you a straight 'no,' they may word the message more indirectly to avoid appearing confrontational, for instance by saying 'I'm not sure whether I agree.' In most cases, this still expresses disagreement.

It is crucially important to use the so-called "politically correct" vocabulary when working with Americans. Otherwise, there is a huge risk offending someone without realizing it.

Owing to the culture's strong achievement orientation, Americans may perceive raising issues as negativism. As a result, people often phrase concerns very carefully and may become much more indirect when doing so. Silence is very rare in conversations and makes most Americans uncomfortable as it is perceived to convey rejection or other negative messages. When around other people, they may start or continue conversations simply to avoid silence.

Gestures are usually quite expressive, and Americans' body language can be easy to read. They may make some physical contact, such as a backslap as a sign of friendship, but there is usually not a lot of it. If a man puts his feet on the table, this

signals that he feels he is in control of the situation. However, do not assume that the person intends to insult you. Most Americans are completely unaware that people from other countries may find this highly inappropriate. Some Americans may nod continually while making positive statements. This may be meant to confirm and strengthen the message, but it does not necessarily mean that what they say is true. Eye contact should be frequent, as this conveys sincerity and helps build trust. However, do not stare at people.

3. Negotiations

Negotiations in the United States can be conducted by individuals or teams of negotiators. Both approaches have their distinct advantages. Since decisions are often made by individuals, meeting the decision-maker one-on-one may help get results quickly. On the other hand, a well-aligned team with clearly assigned roles can be quite effective when negotiating with a group of Americans. Owing to the high degree of individualism that characterizes the culture, U.S. teams are not always well aligned, which sometimes makes it easy to play one member against the other.

Punctuality is generally expected. Being more than 10 to 15 minutes late without having a valid and plausible excuse can be an offense. If you cannot avoid a delay, call ahead and apologize.

Introductions may be accompanied by firm and brief handshakes. However, Americans shake hands less frequently than others do, so a handshake may often be unnecessary. When entering a room full of people, it is ok just to smile and say 'hi, everyone.' The standard greeting is 'how are you?' or, in the South, 'how're you doing?' It is rhetorical, so it is best to respond with the same phrase or to say something like 'fine, thank you,' or 'I'm doing great, and you?'

Meetings usually start with some small talk intended to establish personal rapport. It is normally brief but can be more extensive in the South. Conversations often start with 'what do you do?' or 'tell me more about yourself.' In both cases, the person will expect to hear about your work background. One's private life is not a subject for discussion around meetings. Humour is considered an important way to 'break the ice,' but avoid appearing ironic, cynical, or sarcastic. The opening phase of the meeting is usually short and negotiators get straight to the point. However, the meeting atmosphere is usually casual. People may get up to stretch or leave the room for a while. This does not necessarily indicate a lack of interest.

While one purpose of the initial meeting is to get to know each other, the primary focus will be on business topics. Either the meeting leads to a straight decision or there will be a list of follow-up actions. Smaller deals may be decided and finalized at the first meeting. If the meeting concludes with-out next steps being defined, this may mean that there is no interest to continue the discussion.

The primary negotiation style is competitive, sometimes intensely so. Although people will look for win-win solutions, they may strive to 'win more' than the other side does. When negotiating, Americans may appear fiercely competitive or even combative. However, they will ultimately be interested in finding a solution that both sides can accept. Most people in the United States are very task focused. They may not be willing to make concessions only for the sake of a relationship. Instead, they usually expect to get a tangible benefit in return. One of the implicit rules of this culture is that people should not take this result orientation personally.

American negotiators generally keep their initial questions high-level, without too much attention paid to details. It may indicate serious interest and a willingness to close the deal if their questions get more specific and technical.

Negotiations in the U.S. may take less time than anywhere else in the world. 'Speed matters' and 'time is money' are beliefs most members of this culture share and doing is usually valued much more highly than planning and analysing.

Americans generally prefer a monochronic work style. They are used to pursuing actions and goals systematically, and they dislike interruptions or digressions. When negotiating, they often work their way down a list of objectives in sequential order, bargaining for each item separately, and may be unwilling to revisit aspects that have already been agreed upon. They may show little tolerance if a more polychronic counterpart challenges this approach, which they view as systematic

and effective. This rigid style may be difficult to tolerate for negotiators from highly polychronic cultures (for example, Argentina; more in the next country analysis) Stalling a negotiation in an attempt to create time pressure in order to obtain concessions, or to gain the time needed to evaluate alternatives, may turn out to be a big mistake. Americans hate wasting time and have little patience if they feel that the other side may be hiding or holding back something.

Unlike in many other cultures, negotiators may actually become less inclined to make concessions if they feel that the overall bargaining exchange is taking too long.

While most Americans are comfortable with bargaining, few of them like to haggle. They can be ambitious, tough, and aggressive negotiators, though, often going for the biggest possible slice of the business. Appearing confident and assertive is essential, since facing an apparently insecure counterpart may encourage Americans to negotiate harder.

Most people in this country expect to negotiate 'in good faith.' Nevertheless, they may use deceptive negotiation techniques such as sending fake non-verbal messages, pretending to be disinterested in the whole deal or in single concessions, misrepresenting an item's value, or making false demands and concessions. Americans may also use the tactic of telling lies. American negotiators may use

pressure techniques that include opening with their best offer, showing intransigence, making final, decreasing, or expiring offers, or nibbling.

Corruption and bribery are rare in the United States, though not completely unheard of. Both legally and ethically, it is strongly advisable to stay away from giving gifts of significant value or making offers that could be read as bribery.

When making decisions, businesspeople may apply universal principles rather than considering the specific situation. Empirical evidence and other objective facts weigh much more strongly than personal feelings and experiences do. Americans are generally risk takers and may not shy away from making bold moves.

3.4 Argentina

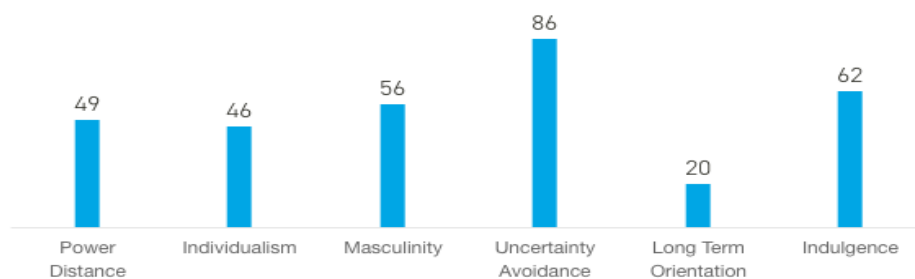3.4.1 Hofstede Cultural 6 dimension

Fig. 3.4: Argentinian cultural model (source: hofstede-insights.com)

- Power Distance

At a score of 49 Argentina sits on the low end of PDI rankings of – and thus far from the much higher values that characterizes all other Latin American countries. The sources of Argentina´s low score on this dimension is rooted in the migration waves that reached the Rio de la Plata around the turn of the last century. Around 1900, approximately 6.5 M. European immigrants entered Argentina. At about that time over 30 % of its inhabitants (and every second in Buenos Aires) had been born abroad. In this society status should be underlined. Appearance is very important: the dark attire or sober tailleur, the valuable watch, an expensive hotel, these elements allow inferring about power and facilitating the entrée.

- Individualism

With a score of 46, also in this dimension Argentina sits in the middle rankings. As a consequence of the aforementioned migration waves and the early emergence of wide middle classes, Argentina is, by far, the most Individualist of all Latin countries. However, many collectivistic traits prevail: the opinion of and obligations towards the (extended) family or in-group, for example, still count. This notwithstanding, more modern, Individualist traits can also be found, particularly in the large urban conglomerates. There, the employer-employee link is rather calculative and there is a strict division between private and work life.

- Masculinity

Argentina scores 56 on this dimension, reflecting the presence of slightly more Masculine than Feminine elements. Among the former it is important to note a strong achievement orientation and assertiveness, the Masculine behaviour of female managers and politicians, and the equally strong ego needs. The need to excel and stand out has been noted by many experts.

- Uncertainty Avoidance

At 86 Argentina scores very high on UAI – and so do the majority of Latin American countries that belonged to the Spanish kingdom. These societies show a strong need for rules and elaborate legal systems in order to structure life. The individual's need to obey these laws, however, is weak. Corruption is widespread, the black market sizeable and, in general, you´ll see a deep split between the "pays réael" and the "pays légal".

- Long Term Orientation

Argentina, with a very low score of 20, is shown to have a very normative culture. People in such societies have a strong concern with establishing the absolute Truth; they are normative in their thinking. They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results.

<u>3.4.2 Business Etiquettes analysis</u>

1. Relationship, respect and formalities

Argentina's culture is generally group-oriented. Asserting individual preferences may be seen as less important than having a sense of belonging to a group, conforming to its norms, and maintaining harmony among its members. Building lasting and trusting relationships is very important to most people in this country. In fact, Argentines may want to do business only with those they know, like, and trust, so a businessperson must take the time needed to build and strengthen the relationship.

Establishing personal relationships with others in Argentina can create powerful networks. Personal networks rely mostly on strong friendships that also represent dependable mutual obligations. They may open doors and solve problems that would otherwise be difficult to master. Maintaining honest and cordial relations is crucial.

While Argentines are usually warm and friendly, they are also very proud and may be easily offended by comments that leave room for misunderstandings. 'Saving face' and respecting everyone's honour and personal pride are crucial requirements for doing business in the country, especially in rural areas and small cities. Causing embarrassment to another person or openly criticizing someone in front of others can have a devastating impact on the negotiation. Character and kindness towards

others are very essential qualities. You will earn people's respect by showing empathy for others, treating everyone with dignity, and avoiding all aggressive behaviours.

In Argentina's business culture, the respect a person enjoys depends primarily on his or her status, rank, and education. The country's population is fairly young and age may not be respected as highly as in some other Latin American cultures, even if still high. Showing status is important since people will take you more seriously.

Impeccable appearance is very important in Argentina. A conservatively dress and fancy shoes are important to give a good first impression. In fact, first impressions can have a significant impact on how people are view.

Business lunches are less common than business dinners. As in Spain and several other Latin American Countries, dinners usually start late, often between 9 and 10pm. Business is rarely discussed over meals.

Social events do not require strict punctuality. While it is best to arrive at dinners close to the agreed time, being late to a party by 30 minutes or more is perfectly acceptable.

Topics best avoided are the continuing tensions and conflicts between Argentina and Chile. An equally sensitive topic is comparing Argentina with Brazil. In

addition, it's highly recommended not talk about the conflict over the Malvinas Islands with Great Britain.

2. Communication

The official language of Argentina is Spanish. It is notably different from the Spanish spoken in Spain, and it is unlike any other Spanish spoken in Latin America, owing to significant Italian influences. When communicating in English, counterparts should speak in short, simple sentences and avoid using slang; it will help people with a limited command of English. Even when the main meeting language is English, Argentinian counterparts may frequently speak Spanish among themselves, not necessarily to shut counterparts out from the discussion but to reduce their discomfort and ensure a common understanding among them.

People in this country may speak louder than other Latin Americans may. Emotions are usually shown very openly. Argentines generally converse in close proximity, standing only two feet or less apart. Never back away, even if this is much closer than your personal comfort zone allows. Doing so could be read as a sign that you are uncomfortable around them.

Communication in Argentina is generally quite direct. There is a tendency to use very pointed or exaggerated statements, so problems or disagreements may appear more severe than they really are. However, people may be reluctant to disagree

openly with someone they like, in which case it can become difficult to know their true opinion. Silence is rare and usually indicates that there is a problem.

Gestures and body language can be very expressive, especially if they help underline what is being said. There may be frequent physical contact with others of the same gender. A pat on the shoulder is a sign of friendship. Eye contact should be very frequent, almost to the point of staring. This conveys sincerity and helps build trust.

3. Negotiation

Choosing a local intermediary who can leverage existing relationships to make the initial contact is highly recommended. This person will help bridge the gap between cultures, allowing foreign counterparts to conduct business with greater effectiveness. Without such a contact, it may be difficult to gain access to the right people. While meetings may start as much as 30 minutes late, people generally expect foreign visitors to be very punctual.

Avoid being more than 5 to 10 minutes late, and if it's impossible to avoid it, counterparts must be advised of it.

Meetings start with small talk, which may be extensive. This may include personal questions about background and family, allowing participants to become acquainted. It is important to be patient and let the Argentinian side set the pace.

People appreciate a sense of humour but keep it light and friendly. Business is a serious matter in Argentina. Initial meetings may appear very formal, but the atmosphere usually is a bit more relaxed in subsequent meetings.

The primary purpose of the first meeting is to become acquainted and build relationships. Business may be discussed, but do not try to hurry along with your agenda. It is unrealistic to expect initial meetings to lead to straight decisions.

Argentines expect long-term commitments from their business partners and will focus mostly on long-term benefits. Although the primary negotiation style is competitive, Argentines nevertheless value long-term relationships. While proposals should demonstrate the benefits to both negotiating parties, neither of them should take attempts to win competitive advantages negatively.

If a dispute arises at any stage of a negotiation, foreign counterparts might be able to reach resolution by leveraging personal relationships and emphasizing long-term benefits. Patience and creativity will pay strong dividends.

Expect negotiations to be slow and protracted. Argentines do not hurry and dislike people who do. They see impatience as a sign of weakness and may even think it rude. Relationship building, information gathering, bargaining, and decision making may take considerable time. Attempts to rush the process are unlikely to produce better results and may be viewed as offensive.

Most Argentines prefer a polychronic work style. They are used to pursuing multiple actions and goals in parallel. When negotiating, they often take a holistic approach and may seem to jump from one topic to another rather than addressing them in sequential order. Negotiators from strongly monochronic cultures, such as Germany, or the United States, may find this style confusing, irritating, and even annoying.

While Argentines are not overly fond of bargaining and dislike haggling, they can be tough and often very competitive negotiators.

The bargaining exchange can be extensive. Concessions never come easily and requesting a compromise may become an issue of pride if presented in the wrong way. Deceptive techniques might be employed by Argentinean negotiators. This includes tactics such as telling lies and sending fake non-verbal messages, pretending to be disinterested in the whole deal or in single concessions, misrepresenting an item's value, or making false demands and concessions. Negotiators in the country use pressure techniques very carefully since there is always a risk of hurting someone's pride. Final offers and nibbling are rare and should be used with great caution. In general. Argentinean negotiators avoid openly aggressive or adversarial techniques. While they may make indirect threats and warnings or subtly display anger, they will be careful not to appear aggressive when doing so

Corruption and bribery are quite common in Argentina's public and private sectors. However, as in Italy, people may draw the line differently, viewing minor payments as rewards for getting a job done rather than as bribes. Also, keep in mind that there is a fine line between giving gifts and bribing. What may consider a bribe, an Argentine may view as only a nice gift.

When making decisions, businesspeople may not rely much on rules or laws. They usually consider the specific situation rather than applying universal principles. Personal feelings and experiences weigh more strongly than empirical evidence and other objective facts do, but people will consider all aspects. Argentines are often uneasy with change and reluctant to take risks.

CONCLUSIONS

As this work suggest, culture became such an important aspect in business.

Communication is fundamental among global companies, because only with the right type of communication people from different cultural background can do business effectively. Nowadays, companies who wants to do business with customers from different countries, must also take into account cultural dimensions. The cross-cultural analysis showed that all the countries, even if they can have similarities (i.e. same power level distance for both Argentina and Italy), differ each other. This concept is reinforced by the business etiquettes, showing differences in behaviour of individuals when dealing with business activities. To solve this problem, Cultural Intelligence is the competence that people in business must have. Only through CQ consciousness about cultural differences will become obvious and people will improve their own level of cultural intelligence to acquire the right knowledge of different cultures.

Of course, adaptive selling is an effective instrument for increase companies' sales; however, when clients are from other cultural background, such technique alone not necessary could be effective. So, to increase effectiveness, cultural intelligence should be considered and used in combination with it. To do so, CQ must be taught to sellers, with the aim of giving to individuals the capability of having fixed

situation that helps to adapt in the best way possible to foreign buyers. So, we can say that cultural adaptation is a more powerful selling technique.

However, as we said previously, culture is something that changes among time. So, this field must be continuously studied and analysed, because in a future the studies from which part of the information of this work comes from, will be not only old, but also useless.

Finally, these cultural studies are based on statistical samples, showing a general trend for members from same culture. So, we should keep in mind that such evidence is not right 100% of the times, because every individual is unique, even from the same cultural background. It can happen that individuals with high-level of cultural adaptation can fail the negotiation with customers, even if this individual has a huge knowledge about cultural aspects of the buyer. However, these capabilities remain fundamental for international sellers.

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