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Sales Across Cultural Context

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WESTERN MICHIGAN UNIVERSITY

Sales Across Cultural Contexts

Luke Hatfield

Executive Summary

The proposed study was designed to analyze how culture affected sales practices. The models used for analysis in depth were the CLAP model from WMU's sales program and Hofstede's cultural dimensions. Brazil, Germany, and China were analyzed and the elements with the largest differences from the United States were compared to the usual procedure of the CLAP model and a suggestion for an adaptation was made based on research findings (See appendix for condensed version).

After the study was complete I came to a conclusion of what steps should be taken by the effective salesperson to expand on this study. This involved a four step process: first level preparation, offstage adaptation, second level preparation, understanding, and adapted process. This framework will apply to any sales related model and help someone look at it through cultural contexts. I was also able to suggest an experiment to test the validity of this study that is available at the end of the report.

Intro: Sales across Cultural Contexts

The world of business has changed drastically since the trade and barter days prior to 1800. Until the explosion of web technology most business was done domestically, and any business done across country borders was done within the confines of continental boundaries. Due to the industrial revolution and the rapid expansion of communication technology, doing business with someone across the globe is easier than it has ever been. As the world of business becomes increasingly globalized those involved in its daily processes are coming into contact with people from backgrounds very different from their own. As this becomes more commonplace we must ask ourselves if we are doing enough to prepare for these kinds of interactions. An action deemed completely normal in one culture could seem outlandish in another and this is something that any salesperson should keep in mind when dealing with someone that is from a different culture than their own be it within the borders of their home country or not. To give a quick example, businesspeople from Latin America will typically view time as very flexible. Would it be a stretch to say that the typical American hustle and bustle attitude would come across as offensive? Also what would you do in a situation where you had to schedule a meeting with someone from Latin America who views time as more flexible, as well as someone from the United States who viewed time as inflexible and straying off schedule as unacceptable? The primary goal now is to address the concept of adaptive selling and apply it within cultural contexts. The hope is that while this work will address some of the specific issues to consider, it will also provide some of the framework necessary to selling across cultural contexts.

Culture Defined

To address the issues with selling to people with different cultural backgrounds than our own we must first have a firm grasp of what culture actually is. We can define culture here as the shared beliefs, attitudes, values, traditions and symbols we share with a group of similar people that shape the way we perceive the world around us, rank the importance of issues, and process information. Imagine yourself at birth as a computer with no operating system. As you grow older and are influenced by the people and world around you, you begin to perceive the world in a way unique to those who share your same culture. As you grow up with this same perception it effects your beliefs, values, morals, etc. One important thing to consider though when relating this analogy to sales is that operating systems can be changed, and can also adapt information from different systems to something that makes sense without losing too much of the original context. Culture also operates at different levels in our psyche as well.

For now we will think of culture on two different levels: off-stage and on-stage (Varner & Beamer). Our external culture can be considered how we act in the open, and is the more general sense of the word. More specifically, it dictates how we interact with other people and our surroundings. For example, people in India tend to be friendlier and tend to feel the need to be closer to someone when they are talking to them. In the United States people are generally less friendly and will typically avoid people they don't know in a nonsocial setting, needing more space in between them and the person next to them. This is a difference in external culture. As mentioned before external culture is the broader sense of what culture is and includes widespread

cultural things such as celebrations. Internal culture is more specific, and tends to be different even among those of the same external culture. Our internal culture is how we view our surroundings on a deeper level. While people of the same external culture may share very similar internal culture, there will still be smaller niches of internal culture to consider. This includes values, beliefs, morals, etc. that we learn at a young age that become part of the way we view particular issues. For example, two people from the United States celebrating the 4th of July meet each other at a social gathering. They converse at the gathering with the culturally acceptable amount of space between them, share in their mutual patriotism, and then go on their merry way. However, these two people who share the same external culture of American patriotism happen to be political opposites and have opposing views on many issues. Had they talked for longer they would have realized these differences, but since they did not there is no adaptation necessary. A person may view a particular issue a certain way through the eyes of their internal culture but act a different way externally which makes understanding culture all that much more confusing as well as important. Regardless of ethical issues it is impossible for a person to leave their own beliefs completely out of business decisions. The same goes for interactions in sales. While a sales call with a person from the same culture as you may seem routine, it is only so because they share the same business culture as you. When you add cultural differences to the mix, the sales process becomes strained because two very different perspectives. The two people could be negotiating for two different reasons and without the necessary adaptations the entire process could be for naught. One key thing to remember here is that if there is a sales process taking place, there is most often an opportunity for both parties to become better off from the transaction going through regardless of cultural differences. Knowledge of how to bridge the proverbial “culture gap” will be a must for discerning what each party truly hopes to gain from a sales interaction.

PRELIMINARY RESEARCH: This portion of the report serves to provide background on the models used to analyze the results of the experiment and other necessary background information.

Models Used During Research: Now that we have a clear distinction and running definition of what we consider culture to be we can begin to think about what adaptations the salesperson needs to make when dealing with an unfamiliar culture. The two models I will be using and references from here on out for purposes of comparisons will be Hofstede's Five Cultural Dimensions as well as the Purposeful Selling Model used in the Western Michigan University sales program. For the sake of giving some background to the unfamiliar reader I have outlined both of these models briefly below. As we grow nearer to a comparison I will be focusing chiefly on the CLAP model from the Purposeful Selling framework in order to give a detailed comparison of the two models.

Hofstede's Five Cultural Dimensions:

To begin we must first get an idea of the cultural framework being used for this particular study. In Geert Hofstede's famous study of how the workplace is influenced by culture he publicized five key areas of comparison and analysis. These areas are power distance, individualism, masculinity, uncertainty avoidance, pragmatism and indulgence.

Dimension	Hofstede's Definition
Power Distance	"The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally."
Individualism	"The degree of interdependence a society maintains among its members."
Masculinity	"The fundamental issue here is what motivates people, wanting to be the best (masculinity) or liking what you do (femininity)."
Uncertainty Avoidance	"The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these."
Pragmatism	"How every society has to maintain some links with its own past while dealing with the challenges of the present and future."
Indulgence	"The extent to which people try to control their desires and impulses."

How this Relates to Sales:

As discussed earlier on in this report, our culture guides the way that we see the world. These five elements are essentially an exploded view of each facet of that interpretation. In order to fully understand the adaptations that you need to make in sales, you need to consider all the elements at play. To give you an idea for what we typically consider in the WMU sales program we will discuss the different inputs that we are taught to address in one of the following sections. The reason a study like this one is so important to consider is that once we start to sell across cultural contexts we are adding an entirely new (and huge) dimension to our sales inputs. So in a sense a regularly effective salesperson that develops a game winning strategy by the normal book based on an American mindset will fail to be effective if they do not consider the cultural elements at play and adapt their approach respectively. One of my favorite quotes that I came across in the research for this topic was that “culture eats strategy for breakfast.”

The Western Michigan University Purposeful Selling Model:

As this study is based out of Western Michigan University, the respective material from the Sales and Business Marketing program at the Haworth College of Business written by Jim Eckert was used as the model for analysis. This was particularly interesting to consider because this is a model mostly aimed at doing business in the United States. However, a key concept and lesson we learn from this program is the ability to be adaptive so I strove to expand upon this idea. One question that was asked beforehand was whether or not the entirety of the Purposeful Selling Model would be relevant when being applied to other cultures.

The following section serves to give the unfamiliar reader a quick crash course in the WMU sales program so that the following content will make sense. We will look into a few different areas of the Purposeful Selling model and choose one to compare to Hofstede’s cultural dimensions.

Three P’s of Selling: Early in Eckert’s Purposeful Selling book, he illustrates this point. The three p’s are persistence, preparation, and purposeful. One goal of the study was to see how an interaction with a contact from another culture might force a salesperson to alter this approach. What would be an appropriate level of persistence in Brazil? Would the areas of pre-call research be different? This is an important first facet of the material to consider because it gives the unfamiliar reader an idea where the mindset of someone from this program will be in the beginning before considering a lot of the necessary elements.

Requirements of Adaptive Selling: These criterion were especially important in the approach used to compare the two models. The elements that Eckert discussed were necessary in order to be an adaptive seller were preparation, alert observation, thinking and adaptive action. Eckert suggested in the preparation stage of this approach that a certain level of research should be done on each client in order to ensure a successful meeting. The Adaptive Selling Customization model has three different stages to be considered: input, processing, and output. We were curious on what adaptations might be necessary in each of these stages when considering the cultural element.

Input Stage: During this stage, the main goal is to determine what you know, what you don't know, and what you should know. For the sake of a sales interaction, this determines what questions the effective salesperson will ask during a first interaction with a client. This is where the effective salesperson will do most of their research on the contact themselves so they can ensure as productive as a meeting as possible. The inputs to consider as recommended by Eckert were the following:

- Situational inputs: This area outlines the basic information about the interaction. For instance what type of customer are you dealing with? What is the current status you have with the customer? What relationship history do you have? What is the power and dependence situation? This area is especially important to consider when we get further into the intersection of Hofstede's and Eckert's model. For instance, if a culture rates high on the masculinity dimension, but the power balance is in your favor what is the appropriate level of preparation for that interaction?
- Task inputs: The key thing to consider here is that not all interactions involve doing the same thing. So consider what you are trying to accomplish **before** going into the meeting. Is this a new client? No? Etc.
- Environmental inputs: Another big one in this study. This input involves the call environmental and the big picture. This has a lot to do with where meetings will take place, where the contact prefers to be, how long you have for meetings, etc. This will be important to consider when analyzing cultures that have different views of time than the typical U.S. citizen. Arguably, in your input research you consider whether your contact will have a monochronistic or polychronistic view of time.
 - Monochronism: The U.S. tends to have a very monochronic view of time. This means that a U.S. businessman will take commitments very seriously, be low context, do one thing at a time, and be a slave to the calendar.
 - Polychronism: The polychronic businessperson will view the day less like a pie of hours and minutes and more as a flow of events. These folks are more likely to change plans last minute, have a focus on life-time relationships, and interrupt you when you are talking.
- Firm inputs: This is how the firm is doing versus how yours is doing. This area is relatively straight forward and easy to find out due to information available on the web. However this information may not always be available and you may need to consider whether or not it is an appropriate question to ask a contact.
- Competitive Inputs: Who are the other players in the buying situation and what is the chance that the buyer will choose to do nothing? In the sales program at WMU we are taught that people buy from their friends as it is so this is a very important concept to consider in cultures that value personal relationships even more than is common in the United States. If you are interacting with a culture that is notorious for giving meetings out of politeness, make sure you pay close attention to productivity.
- Personnel Inputs: This is an opportunity to analyze the people that will be involved in the interaction. In Brazil for instance, a manager may conduct business by speaking English or inviting an interpreter into the office to translate. It will not harm your chances at all to

know this ahead of time. Not everything translates from language to language so you will need to make sure that you are clear and concise depending on the situation.

- **Needs and Issues:** More often than not, this is one of the areas that the salesperson will need to ask the most questions to figure out. This involves the buyer's core need, any purchasing and logistical issues, or any other obstacles that may be in the way of doing business together.

The Processing Stage: In this stage of the adaptive selling customization approach, you need to make inputs clear using account specific and general research. It is necessary to probe for further detail using an effective questioning technique and structure, as well as active listening. Last but not least you need to think by recognizing inputs and evaluating options.

The Output Stage: Once you have a strong understanding it is necessary to make information adaptations, solution adaptations, process adaptations, and environment and communication adaptations. In this study we will focus mostly on communication adaptations that result from the inputs at play.

Purposeful Questioning: Yet another very important aspect of the Purposeful Selling model used in the Western Michigan University Sales and Business Marketing Program. Jim Eckert recommends three core things in order to be an effective question asker in a sales situation. You first need a repertoire (or toolbox) of well constructed and thought out questions. Next you need good active listening skills. Most importantly you need structure to the question asking activity. For purposes of sales calls in our program we use what is called a Purposeful Questioning Worksheet (PQW) while in a sales call to make quick notes during the questioning activity so that we may give an effective big picture summary at the end of the call. Think of a time when you tried to pat your head while rubbing your stomach. The Purposeful Questioning Model can very well seem like trying to do this at an intellectual level in the early stages of the sales program. As students are asked to do repetitive role-plays it becomes easier and easier though. The purpose and concept of this model is relatively simple. The salesperson should ask effective questions to get as much useful information as possible without seeming like an interrogator. An effective salesperson should avoid gathering information that is not useful or gathering too little information.

Handling Objections:

One last model outlined by Eckert's Purposeful Selling approach is that of handling objections. This will later be used as the area of adaptation when dealing with a client. The model focuses on dealing with questions, comments, and concerns from a hesitant buyer. The key to using the model is to clarify the objection the client has, respond to the objection, and confirm that you have overcome their concern (CRC).

The CLAP Model:

We've saved this sub model of the WMU sales program for last as it will be the object for comparison as we begin to consider where the Purposeful Selling framework crosses with Hofstede's cultural dimensions. This model is designed to facilitate the beginning of a meeting,

helping an effective salesperson to build rapport and begin the meeting with a certain element of credibility that sets the tone throughout the rest of the sales call. An important distinction of this model from the rest in the entire sales program is that in this stage of any meeting the buyer and seller are in a situation where they are both trying to get a sense of the other person and evaluate them as a business partner. This two-way information collection is not quite so typical of some of the other models that we've discussed already. For instance, during the *purposeful questioning stage* of the sales process, the salesperson is essentially the one in control of the interaction as they are asking effective digging questions to gain an understanding of the buyer's situation. Also, while the salesperson is taught to strategically drive the conversation, during the presentation sales call the buyer is essentially in control when they have objections that invoke the effective salesperson to use the CRC model.

This is why this study is aimed at comparing the CLAP model with Hofstede's cultural dimensions. Essentially this will be the most important adaptation the salesperson needs to make right off the bat. If the salesperson fails to adapt in this area they can ruin the tempo of the entire sales process and find it extremely difficult to recover from this point. Arguably this is where the typical business cultural faux pas occur most frequently. For instance, imagine a person walks into a sales call with clients from Japan. In an effort to be courteous to his new potential clients he buys them gifts of small pocket knives, neatly wraps them in gift wrap and sets them in the respective positions on the table that the clients will be invited to sit. Once the time comes for the clients to open the gifts they do and become extremely quiet. They grow distant for the rest of the meeting and leave without contacting the salesperson again. The salesperson is now confused because he is not sure what he did wrong (Axtel). What happened in this situation is that gifting a knife in Japan is symbolic. The salesperson basically just accidentally suggested that the Japanese people commit seppuku or in other terms suicide (Kirkus Reviews).

If I have managed to sell you on the idea of adapting your practices for this simple model read ahead into the main subjects that I have decided to compare. This simple adaptation could take you five minutes but could save you from dreaded business faux pas like the one we just discussed.

THE COMPARISONS – THE SUBJECTS:

For this study, Hofstede's existing rating for countries from four key areas were analyzed. The comparison was designed to serve mostly as a template for the common business person trying to adapt to their surroundings so we focused on the general areas of the Pacific Rim, Europe, and South America. The big picture goal here is to capture an idea of what the necessary steps would be in areas that an international salesperson would be most likely to frequent. For this reason the countries up to analysis from each of these areas are China, Germany, and Brazil.

We have chosen our subjects for analysis and now that we have a firm grasp of the models that will be used as modes of analysis the new goal is to see how they will intersect in real sales situations. The comparisons as mentioned earlier will focus on the Pacific Rim, South America, and Europe as focal points for results and analysis. The primary goal will be to learn about the preferred business practices of professionals from these areas. First we will need to compare the subjects based on what we already know from Hofstede's five cultural dimensions and the score that each country receives. Each country has a score from Hofstede's dimensions that is available on the Hofstede website. Since the sales model we are using as our looking glass is based from a primarily Americanized perspective we will consider the Hofstede's cultural elements of each area against the elements of the United States.

The following few sections will entail a detail discussion on some simple cultural elements to consider before beginning as well as an analysis of Hofstede's cultural dimensions compared to the United States.

Something to Consider: There are certain Hofstede's elements that most likely would not affect an interaction in the CLAP model. For this reason the top two from each country will be used. This means when we consider the largest differences from each comparison we will use the two largest numbers.

PACIFIC RIM: CHINA

China's scores in Hofstede's five cultural dimensions as compared to the United States were as follows:

Dimension	China	The United States
Power Distance	80	40
Individualism	20	91
Masculinity	66	62
Uncertainty Avoidance	30	46
Pragmatism	87	26
Indulgence	24	68

What's Different?

When comparing China and the United States there are three areas with very large differences when it comes to Hofstede's dimensions: **power distance**, **individualism**, and **pragmatism**. Hofstede would conclude that a Chinese person would be more apt to accept uneven power distribution, place less emphasis on the "I" than the "we", and be considerably more pragmatic when compared to the United States. The new question is the necessary adaptation a salesperson from the U.S. will need to make in a sales situation to overcome these differences.

Things to Consider in China

Since from a cultural viewpoint China is one of the countries that seemed to be most opposite of the United States on all dimensions it seemed natural that we begin the analysis with China. China tends to have a much higher power distance. This is one of the things we found most important when considering the CLAP model. As mentioned in an earlier section during the "Logistics" stage of the CLAP model the effective salesperson needs to ask whether or not the proper people are in place for the meeting. However, Hofstede's cultural dimensions lead us to rethink this issue. Chinese business has a very high level of respect for the hierarchical structure of corporate business. It is very rigid, followed very strictly, and it is more accepted by the common person that people with a higher rank than them will be able to tell them what to do. What brought about concerns when it came to the "Logistics" stage was that it may not be considered appropriate if we ask if the right people are in place. We will elaborate more on this concern later on.

Before we can begin to consider sales in a Chinese cultural context we must first get an idea of the culture in China. China is a very structure oriented society which can have a much different feel than citizens from the United States are used to. Many Chinese people have a strong connection to a Confucian belief and value system. This being said it seems logical that we dive into this a bit.

Chinese Culture at a Glance:

Obviously there are volumes upon volumes written on this subject and we will only be grazing the tip of the iceberg. However, this basic level understanding will serve to give you an idea of where some of the differences in thinking actually come from in order to more effectively make an offstage adaptation. First off, there are five major relationships of Confucianism to consider before looking at terminology (Millet, 2010).

<u>The 5 Major Relationships of Confucianism</u>	
Ruler	Subject
Husband	Wife
Father	Son
Brother	Brother
Friend	Friend

Right off the bat we can get an idea of where the strong sense of hierarchy may come from in China. For each level of relationship there is a suggested level of give and take. For instance the ruler should be compassionate toward his subjects, and the subjects are loyal toward their rulers. From this we can glean a few key subjects to keep in mind. In the United States we are not necessarily used to the largest priority being placed on the “self” and giving second consideration to the “we” mentality. In China much more weight is placed on family, kinship, and tightly knit social groups and strict hierarchical social order. The subject of “Guanxi” is a first level subject to keep in mind. It literally means “relationships” in Chinese but in the world of business it extends to the idea of business partner support networks and the ability to trade favors (Los Angeles Chinese Learning Center). This very much builds into another key subject which is the idea of reciprocity. If you have earned “guanxi” with a client it is because you have exercised an appropriate level of reciprocity with your client. Essentially what this will boil down to is that the client trusts you enough to call on you when they are in need of something which is never a bad thing in the sales game.

The next very important element to consider is “Mianzi” or in American terms “face” (Millet, 2010). This means to a Chinese client, your credibility is of the utmost importance. While the idea of “face” has been altered by westernized ideals it is still an important idea to keep in mind. To give an example, a professor has the expectation that his students pay attention in class. The ones who do not listen lose face in the eyes of the professor. The ones who actively engage in the discussion gain face. The upperclassmen start out with a certain level of face because they are older and more experienced. Also it is important to consider that if the class does not listen that the professor himself loses face in the eyes of his peers. To sum up this somewhat complex idea

it is important to consider that while you want to gain face, it is more important to not lose face in the meantime (LCB, 2013).

The next key item is Li which boils down to the idea of harmony. This is often looked at mostly of the idea of being polite, courteous, and respectful (Millet, 2010). In this facet of Chinese culture it is most important to remember the Hofstede's element of individualism. China is much more of a collectivist society. This is going to translate to treating people differently based on their status. It is considered rude to brag about yourself or your business in China for reasons stemming from this idea. This is also why for the CLAP model it is suggested that you have prepared adequately enough to know if you are talking to a decision maker or not. More than likely you will be in front of a team when in a sales interaction so you must be able to identify this decision maker quickly and devote most of your attention to them. This idea also feeds into the idea of "Keqi", which is politeness and humbleness.

For an American entering China it is easy to go in with the typical mindset of being kind to strangers. However this is considered strange behavior in the culture so relationships should be kept extremely professional until you are sure you can act in a manner that is informal. This idea stems again from the strict relationship based nature of Chinese culture. There is a strong sense of outer and inner circles that results from this mindset (Millet, 2010).

Business Etiquette Basics:

Now we can go over some of the basics for doing business in China now that we have a basic idea of cultural values. As you read through you will more than likely see a connection between the two. When it comes to introductions, due to the strong sense of inner and outer circle, Chinese people prefer to be formally introduced to everyone involved (Millet, 2010). You should shake hands with everyone involved and remain standing throughout the introductions if you are involved with a team of your own. Chinese people do tend to do a nod or slight bow but shaking hands is accepted as a greeting. When it comes to business cards there is almost a sense of ritual that goes on at this point. You should use BOTH hands when presenting your card as this is seen as presenting yourself. The same should be said when accepting a business card. Receive the card with both hands as the person is now presenting you with themselves. Do not pocket the card or place it in your rear pocket. To a Chinese person this is the equivalent of rubbing your backside on their face which is of course extremely offensive. The best idea is to place the cards on the table to show the utmost respect. This can also help you tremendously if you are not so great with names (Millet, 2010).

Since you are amongst a culture other than your own it is polite to learn a few pleasantries in Chinese. You may greet by saying "Ni hao" which is the equivalent of "Hello, how are you?" in our native tongue. You should also avoid addressing anyone by their first name and stick to their full professional title.

In general it is a good idea to hire a good translator. The reason being is that translations are never 100% perfect because certain ways of thinking won't necessarily translate based on the words that you are saying. Recall the example from earlier about culture essentially acting as your operating system because it serves as the looking glass through which you see and process

the world around you. This being said you will need a translator that not only translates the words you say, but has the ability to translate between operating systems. Imagine every problem you've ever seen arise when someone with a Mac laptop tries to open a file on a PC and equate this to the problems you'll have simply trying to convey a simple message. You will need to have someone that can convey your message but stage within the confines of the Chinese cultural bounds (Los Angeles Chinese Learning Center).

The China Adapted CLAP Model

Based on what we've learned so far we can get a basic idea of how to behave in a business situation with a Chinese client. Due to the relationship differences in the society we should always formally introduce any new parties, and stand up when being introduced out of respect. Since we'll most likely be in front of a team this must be kept in mind as well. Now that we have an idea of how we should interact based on Chinese cultural standards we can begin to see where the CLAP model and the Hofstede's elements intersect.

CONNECT: At this point in the meeting we are taught in the SBM program that this is a time to build rapport with the client and try to ease the tension in the room. Keep in mind that Chinese prefer to be addressed by their title and last name which is different from the way we address people in the United States (Director Wang instead of Mr. Wang). First if we consider the differences in power distance we can evaluate that making the normal small talk per usual is not the greatest idea and some might even consider having a planned approach here. This is not to say that you should avoid small talk altogether because most Chinese will expect some chit chat before diving into business. You should avoid topics that are overly personal, and/or negative. You should indeed engage some small talk and a good way to start would be by talking about the positive experiences you have had in China so far (Keeting, 2008). We are also taught in the SBM program that it is good to be enthusiastic and excited about the meeting. However, across cultural contexts you should also exercise restraint in terms of enthusiasm during the course of the meeting. Focus on relaxing and keep this in mind throughout the interaction.

If you tend to talk with your hands you will also want to avoid this here as well because this is not commonplace in China and certain gestures are even considered rude. To succeed in the connection stage with a Chinese client you must establish CREDIBILITY which is more important than personal rapport in the Chinese culture. If you are with a team you should introduce the entire team as a whole and then introduce each member. This accounts for the Hofstede's individualism concern as Chinese will be more concerned with the team they are doing business with rather than the individual. Chinese prefer strong personal relationships so this step is very crucial and will continue to be even if you bring someone different into the process later in the game.

LOGISTICS: Now that we have considered the "Connection" we can move onto the next proposed behavior in the SBM program which is the discussion of logistics. Keeping the element of power distance in mind will be the most important at this stage. In the SBM program we are taught that at this point we should ask whether or not we are waiting for anyone else and if we have the same amount of time that we discussed (eg. Do we have the thirty minutes we talked

about?). In China you could probably guess that it would most likely be extremely inappropriate to ask if you were waiting for anyone else to arrive. This would be considered rude as it would show disrespect toward China's strict hierarchical system and would be seen as an undermining of authority. Instead, it is advised to alter the CLAP model at this stage by asking if you may get started after the "Connect" stage. Once you get permission you can gauge where that permission came from and ask that person if they require any amendments to the schedule. If they say "no" you are free to move to the "Agenda" stage.

AGENDA: Keep in mind that Chinese will appreciate you to at least try to emerge yourself in their culture while doing business with them. For this reason you should try to have a translated agenda for business partners. When presenting the meeting agenda you should ask the one in charge if this is acceptable. Then if you have built enough credibility you are able to ask if the big picture agenda is acceptable. If you get two affirmations you are free to go to the next stage. It should also be a point of your agenda to make it clear that you plan on maintaining a long-term relationship with them.

PERMISSION: This one is simple but important. Be sure that you are keeping in mind who is in charge when you ask for permission to begin if in a group which you most likely will be in China. *Director Wang based on what I have showed you on behalf of my firm I would like to ask your permission to begin with the other elements of the meeting. Do I have your permission?* (Keeting, 2008)

Here is a view of the CLAP model adapted for Chinese business.

CLAP Model Suggested Adaptation				
Terms	Connect: Make a connection as human beings.	Logistics: Discuss the logistics of the meeting.	Agenda: Present a big-picture, and meeting agenda.	Permission: Ask for permission to begin talking business.
Power Distance	<ul style="list-style-type: none"> • Remain standing until asked to sit • Shake hands • Expect slight bow • Do not make small talk that is TOO personal • Talk about your positive experiences you've had in China. • It's ok to talk about the weather 	<ul style="list-style-type: none"> • DO NOT ask if anyone else needs to be present. Be aware of this yourself. • Ask to go to this stage after "Connect" and be mindful of who you ask. • Ask if they need you to make alterations 	<ul style="list-style-type: none"> • Make alterations as requested. • There will most likely be questions here. • Ask if the agenda is acceptable 	<ul style="list-style-type: none"> • Make sure to ask the one in charge for this permission
Individualism	<ul style="list-style-type: none"> • Focus on identifying with your company and building the credibility of it as a whole. • Focus on team • Remain calm and don't appear too enthusiastic 		<ul style="list-style-type: none"> • Make relationship building apparent. 	<ul style="list-style-type: none"> • Ask on behalf of your company.

EUROPE: GERMANY

Germany's scores in Hofstede's five cultural dimensions as compared to the United States were as follows:

Dimension	Germany	The United States
Power Distance	35	40
Individualism	67	91
Masculinity	66	62
Uncertainty Avoidance	65	46
Pragmatism	83	26
Indulgence	40	68

What's Different?

When comparing the United States and Germany the biggest differences were found in the **pragmatism, indulgence, and individualism** categories. There is also a considerable difference in uncertainty avoidance that we can expect to play a role in the CLAP model stage of a sales interaction.

Things to Consider in Germany

Similar to China we see that Germany has a very high differential when it comes to individualism so we need to be mindful of how the adaptations might be the same. For instance, we most likely need to be thinking in a team based mindset rather than in an individualistic one. Germany is also at a low level of indulgence compared to the United States. We can predict that this may affect what is acceptable to talk about during the early stages of the CLAP model. Since pragmatism does not affect the early stages of the meeting as much as the others, as we did with China we will focus on the latter two. We will also take a look at uncertainty avoidance. It would be an arguable prediction to say that a culture with high uncertainty avoidance will require a more detailed approach.

German culture at a Glance:

First let's look at German from a broad general culture perspective. Since Germany is more of a low-context culture you will notice that there is naturally less context to talk about when looking into their culture for analysis. As can be expected Germany is considered a very punctual culture so being late to a gathering (even by a few minutes) is considered offensive. They also tend to be branded as more of the analytical types and even "masters of planning" (Businessculture.org, 2014). One interesting example of the structured nature of Germany society that stood out to me was brought up during my Global Negotiations course with Dr. Eckert. He mentioned that in German Universities, students are required to make appointments to see their professors through the secretary. German business is taken very seriously and personal affairs, humor, etc. are

considered inappropriate in the work setting. My guess is that German folks are not a big fan of the hit TV show “The Office”.

A few other things to consider about navigating Germany are that eye contact is considered respectful and that instead of clapping after a presentation German folks will knock their knuckles against the table after a presentation. This is just something to be aware of if making a presentation in Germany for the first time because it may surprise you!

Business Etiquette Basics

As mentioned before German people are highly structured and for this reason will have a lack of flexibility that needs to be accounted for. You need to stick to the agenda but also be aware that since Germany is very hierarchical in nature (as is usual with high power distance cultures) it can take some time to get a response to proposals. This should not be taken as rude and you can expect that after some time you get a highly detailed response with points given on several issues rather than just one (Saito & Fernandez, 2011). There is a strict divide between the business lives and personal lives of German people so you can expect a certain level of directness, bluntness, and possibly at times it may seem impersonal. This is to be expected as German people want to get right to the point and to the bottom line.

This work/life division strength also has created a taboo for people staying at the office late. This implies that the worker was inefficient during the normal day and for that reason has to stay late to recompense himself for wasting time.

Meeting Etiquette

When meeting and greeting it is considered polite for you to realize how to properly address German folks. Below I’ve attached a chart to help out with this. Keep in mind that rules can be different from company to company (Saito & Fernandez, 2011).

Who Are You Addressing	Form of Address
A person’s family members, friends, and children.	Use du + given name
Strangers, casual acquaintances, business partners, bosses, elders and other people of respect.	Use sie. Also address these people with Herr or Frau with their family name.

Now that we have this out of the way we need to consider what to say next. Since Germans tend to display a strict divide between work and social life, it can be argued that a German businessperson will not enjoy the niceties of small talk as much as the common American business person would, and would like to get right down to business. However, they will generally open up for a small amount of chit chat to break the ice if you prefer to do this before jumping into important topics. However, avoid personal topics at all costs. A good idea for

rapport building would be business or sports topics. When it doubt do this and avoid controversial topics like the countries Nazi past. This is unacceptable even in a jovial sense.

Common to what we saw in China, Germans are not big into gesticulation so this should also be kept to a minimum.

The German adapted CLAP model

Now that we have had a chance to examine the contexts of the German culture we can begin to speculate how the Hofstede's elements would interact with the CLAP model. As we discussed earlier we will be using the elements of indulgence, individualism and uncertainty avoidance as our looking glass in this section.

Connect: Since we have learned that Germans have a disconnection between their business and personal lives we can expect that they would prefer to keep the chit chat to a minimum. If we are to follow the CLAP model proposed by the SBM model and attempt to build rapport we should stick to highly relatable topics (When it doubt talk business or sports). During this stage the German counterpart has begun to analyze you already so it is important that you try to build credibility with what you choose to make a connection on. German has a collectivistic and high power distance tendency so building rapport on too personal of a level could be seen as inappropriate. With that being said, you should also stay away from jokes in this stage (especially those about the country's Nazi past). Remember that Germans are very direct and may rush through this stage. We have also made a point in referring to the differences in the indulgence element for reasons of what could be considered appropriate to bring up during this stage. Once again I reiterate that there is an iron curtain between life and work in Germany. Do not bring up things that could be considered overly indulgent for sake of rapport building.

If you are in a group setting it is once again a good idea to try to connect as a team and introduce everyone for the sake of the differences in individualism ranking.

Logistics: This stage is more acceptable in Germany because of their low-context, strictly business nature. Ask if the proper people are in place and ask if the duration discussed is still at play.

Agenda: This is a big one since Germany is a high uncertainty avoidance society. The agenda should be very detailed and leave little to the imagination. Go into detail about what you want to cover during the meeting and expect some questions. The same can be said for the big picture agenda as well. It is also a good idea to send them a copy of this agenda ahead of time so that they may voice any concerns ahead of time. Once the agenda is in place it is deemed unprofessional to change it.

Permission: Ask for permission to begin. The differences in Hofstede's elements won't affect this aspect of the CLAP model because Germany is quite similar to the United States.

Here is a view of the CLAP model adapted for German business

CLAP Model Suggested Adaptation				
Terms	Connect: Make a connection as human beings.	Logistics: Discuss the logistics of the meeting.	Agenda: Present a big-picture, and meeting agenda.	Permission: Ask for permission to begin talking business.
Individualism	<ul style="list-style-type: none"> • Connect with international topics like business or sports instead of personal ones. • Germans may breeze through the rapport building as they don't prefer it the way we do. 	<ul style="list-style-type: none"> • Ask the person in charge directly if their schedule is still good for the meeting. • It's ok to ask if anyone else is joining you. 	<ul style="list-style-type: none"> • Show a plan for the interactions between the two businesses. • Build credibility not just for yourself but mainly for your firm 	<ul style="list-style-type: none"> • Be sure to have built rapport from a "team" standpoint.
Indulgence	<ul style="list-style-type: none"> • Avoid connect with topics that are too personal or too "indulgent". 			
Uncertainty Avoidance		<ul style="list-style-type: none"> • Once these are set, do not attempt to change them without good reason. 	<ul style="list-style-type: none"> • Make it detailed and be prepared for questions. 	<ul style="list-style-type: none"> • Ask them if they have any questions before you dive into any core subjects.

SOUTH AMERICA: BRAZIL

Brazil's scores in Hofstede's five cultural dimensions as compared to the United States were as follows:

Dimension	Brazil	The United States
Power Distance	69	40
Individualism	38	91
Masculinity	49	62
Uncertainty Avoidance	76	46
Pragmatism	44	26
Indulgence	59	68

What's Different?

After considering Hofstede's dimension scores for Brazil and the U.S. the largest differences were in **power distance**, **individualism**, and **uncertainty avoidance**. This means that Brazilian businessmen will be more likely to abide by strict hierarchies, accept that there is an unequal power structure, and avoid decisions laced with ambiguity.

Brazilian Culture at a Glance

Brazil is another high-context culture packed with a lot to learn before heading into a business situation. We will look at certain elements that may explain the differences in power distance, individualism, and uncertainty avoidance.

In Brazil there is a hierarchical way of conducting day-to-day life that has existed for a very long time and has come to be commonplace and for the most part accepted. This means that people from the upper class will rarely interact with people from the lower class (this will be commonplace when it comes to managers and subordinates as well). When you are invited to a private function in Brazil punctuality is highly stressed. This being said, it is not uncommon for a Brazilian counterpart to arrive late to an event. Brazilians and Americans have a very different view of how time operates. Whereas Americans see the 24-hour clock as a pie to be divvied up between tasks, Brazilians see time as a timeline or flow of events and do not like to rush interactions. This should be kept in mind when considering uncertainty avoidance. More than likely since they do not like ambiguity or uncertainty they engage in a view of time as they do in order to fully understand the circumstances at hand before making commitments.

For the most part, Brazilians are very easy going and easy to build rapport with. However there are pros and cons that come along with this trait. For instance, it is not uncommon for a person from Brazil to superficially invite you to their home. This is why you should never drop in unless you are one-hundred percent sure of the plan for you to do so. Keeping this in mind you could see why this might hinder a business interaction. A salesperson thinks that they have done a great

job establishing a relationship with someone but they are simply just easy going and do not like to say “no”.

As is common with cultures with individualism ratings like Brazil’s it is polite to greet everyone in the room with a handshake and eye contact as well as with you are saying farewell. Also refrain from using the “ok” sign in Brazil. This means something very profane in Brazil.

Business Etiquette Basics

There are a few key areas to consider when considering the business etiquette basics of Brazil. There are definite communication issues such as phone calls, and connection issues. We are looking for the proper adaptations for power distance, individualism, and uncertainty avoidance.

Phone Calls

Brazilians do not have the same sense of urgency that Americans have which is a result of how they view the 24-hour clock. This being said it is acceptable to call your client multiple times with an urgent issue. A word of advice that Dr. Eckert shares with his student’s for times like these is the act of gathering a network “web” with your client. This means that you are able to connect with the client’s secretaries, subordinates, and even co-workers. They favor face to face through and through but this will alleviate some of the worries of communication through phone.

Meeting Etiquette

We have gone over some aspects of meeting etiquette but to reiterate you should greet and give farewell to everyone. Women can expect a kiss on the cheek. You should also be aware that Brazilians are close communicators (close talkers). If you are a woman you may face difficulty from a male counterpart. However, if you prove yourself to be professional and stick to your guns you will be fine in the long run.

Brazil adapted CLAP model

One more time we can use what we have learned so far to adapt the CLAP model to an interaction with another culture. This time it is Brazil.

Connect: It is expected that you will engage in a certain amount of small talk before getting into business. Similar to Germany you should stick to topics about sports or business issues until you are able to build rapport. The conversation might become more personal as the interaction progresses. It can be expected that you will be put in front of a group so you should try to direct your attention toward the one in charge. This being said, you may actually go through a secretary or other subordinate to “break the ice” before your meeting proceeds. Be sure to be prepared and respectful of this hierarchical structure.

Logistics: Brazil has a high power distance and is a high-context culture. For this reason I once again recommend not asking if anyone else needs to be present because this could be portrayed as undermining their authority. It is a better idea to ask if you can get started at this point and then ask if the timeline is still the same. Once again business meetings here are very laid back and slow to progress so be sure to have patience.

Agenda: You can make an agenda and it is a good idea to do so. However, do not expect to stick to it and be ready to adapt it. Think of your agenda as more of a loose list of things you would like to discuss. Keep in mind that it may take more than one meeting to get things accomplished because of the tendency of Brazilian business meetings to go at a slow pace.

Permission: By now you have an idea of who is in charge. Ask the “group” for permission to move to other areas of the meeting, but chiefly direct this toward the one in charge.

Here is a look at the CLAP model adapted for Brazilian business

CLAP Model Suggested Adaptation				
Terms	Connect: Make a connection as human beings.	Logistics: Discuss the logistics of the meeting.	Agenda: Present a big-picture, and meeting agenda.	Permission: Ask for permission to begin talking business.
Power distance	Aim your conversational efforts toward the group but chiefly toward the one in charge.	Avoid asking if anyone else is joining.		
Individualism		Ask on behalf of your team instead of yourself.	Don't be in love with your agenda and be adaptable to the team goals.	
Uncertainty Avoidance	Don't jump right into business, but don't be too vague about your intentions either.	Do not introduce new people without time for introductions.	Make your agenda show that you intend to cover their concerns.	Ask if anyone has any concerns before asking for this permission.

CONCLUSIONS FOR CONSIDERATION: This next section will serve as the framework for the effective salesperson adapting their sales model through a cultural cross-cultural context.

Now that we have had the opportunity to take a look at several different cultures at a basic level we can conclude a model that the effective salesperson may follow when in this sort of situation. I will suggest these four steps in modification to the existing Purposeful Selling model: level one preparation, off-stage adaptation, level two preparation, on-stage adaptation, understanding, and adapted process.

Level One Preparation:

By now you have most likely picked up that it is very important for us to get at least a basic example of cultural values before we can consider what the necessary sales process adaptations are. For this reason I highly recommend making a “cultural cheat sheet” to consider whilst you navigate your business as usual. This idea comes from a class in the WMU Marketing Program also taught by Dr. Jim Eckert in Negotiation and is a slightly adapted version for the sake of this purposed model. You should format your cheat sheet to contain the following information:

General Culture: As we discussed, what are the Hofstede’s cultural elements? Starting with this framework will give you a basic level of understanding of how different the culture is and you start your basic level research from here. Find out what the culture finds important. As we have seen you will most likely be surprised at how much different the culture is than yours.

Business Culture: After looking into the cultural elements at play you should begin to consider how this affects the way people will do business in this culture. It is a good idea to come up with a list of do’s and don’ts for quick reference in this area. For instance, recall the example about the salesperson gifting the knives to the Japanese business partners. It is also a good idea to try to understand how this might affect negotiation procedures should these become necessary.

Adapted Process: After getting at least a basic understanding of the cultural dynamics at play you should map out how this will affect your normal procedure. Just as we did the CLAP model analysis and adaptation you should consider each facet of your normal business procedure and map where the necessary adaptations are.

Offstage Adaptation:

After mapping out your cheat sheet you need to consider one more thing before you are cleared to move to the next step of your model. You must make sure that you essentially alter your mindset in a way that will allow you to navigate this culture with the necessary amount of emergence to be deemed acceptable by business standards. You must often leave biases aside and be able to leave your comfort zone at times. For instance, in some cultures of high hospitality it is normal for a host to offer food to a guest. For an American salesperson visiting a land that is culturally different than their own, they might not be ready to accept some of the delicacies of other nations and it would be considered extremely rude to say no. This is why it is a good idea to pay a respectable amount of time in this stage of adaptation before any face-to-face interactions with an international client. This is just a small example but there are many

instances such as this one to consider that it would be extremely helpful to know about before arriving in a foreign land. It is also important to consider that different adaptations will be made depending on who is traveling but it is often most polite to infer yourself to be the adaptor.

Level Two Preparation:

At this stage I am assuming that you have a solid understanding of the culture and you have made the necessary offstage adaptations to be able to deal with the differences. This is where you may begin to consider other elements of preparation that are considered in the Purposeful Selling Model of Western Michigan University's SBM program such as the inputs, personal research, etc. that we have mentioned in prior sections.

Notice how much time we have actually spend in preparation mode before any interaction with a client. This is the most important message I hoped to portray with this study. In order to research the client's situation, you must first be able to see through their looking glass to a certain extent and that is why an effective salesperson will need to consider this model to be successful.

Understanding:

This comes at the beginning of the sales process which is why I chose to analyze the CLAP model in prior section. At this point we have done all the necessary research to engage in a sales process and we have begun to interact with a potential client. We might have done research but we must not forget that do not know the client on a personal level yet. Assuming that everyone in a particular culture will be alike is very dangerous and should be avoided. At this stage we begin to get to know the client on a personal level and get an idea for further adaptations to our sales process. Sometimes clients will simply ask whether you want to do the meeting in the American way or their cultures way (Varner Beamer). This shows that they are prepared to make adaptations as well. Depending on who has the at home advantage you are free to make the decision yourself at this point but I highly suggest a hybrid approach that is still culturally sensitive.

Adapted Process:

So there we have it. We have taken the time to research and understand the culture. We have altered our mindset in a way that will prepare us for the actual interaction. We will adapt our approach and try to gain understanding in our first interaction with the client to build rapport. After we have made this mile long list of adaptations we can implement our adapted process and go about business as normal and the Purposeful Selling model will play out as it normally does. This process may seem tedious but to the effective salesperson it is invaluable and will begin to flow seamlessly as it becomes habitual.

SUGGESTED EXPERIMENT: In order to test the findings of this report I suggest an engaged study with people from the cultures depicted. In order to test each theory I suggest filming several videos of examples of good and bad and have people of the respective culture rate the quality of the sales interactions. If they rate the suggested adaptation highly then we know that the adaptation is 100% on target. I have listed some ideas for the videos below.

Video One: INDIVIDUALISM

SCENARIO: A salesman enters the office and begins a meeting with the CLAP model.

DIMENSIONS AT PLAY: CLAP Model vs. Low Level of Individualism

Research Suggested Adaptations: In a meeting with a Chinese client you should exchange business cards, mention company, rank and go over qualifications. This will act as your connection stage in the CLAP model. Once you have done this, go about the CLAP model as usual.

Video Two: PRAGMATISM

SCENARIO: A NetSuite salesman presents a solution based on the needs he has uncovered previously. The buyer is a little uneasy because it would be a huge change in operations. The salesman handles the objection of uncertainty by showing the buyer how the program will greatly affect the short term operations of the firm.

DIMENSIONS AT PLAY: VPC MODEL vs. High Degree of Pragmatism

Research Suggested Adaptation: Show flexibility and short-term oriented sales pitch to a culture that has a high degree of pragmatism. These people are more likely to go with a change if it makes sense and are less attached to tradition.

Video Four: UNCERTAINTY AVOIDANCE

SCENARIO: A NetSuite salesman presents a solution and the buyer is uneasy. The NetSuite needs to overcome the buyer's avoidance of uncertainty with a solid presentation. During the presentation the buyer has concerns and the salesman effectively overcomes them.

DIMENSIONS AT PLAY: CRC Model vs. Uncertainty Avoidance

Research Suggested Adaptation: For countries with a high level of uncertainty avoidance, show them proof of how the product will affect their short and long term business and answer technical questions.

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APPENDIX 1

COUNTRY	C	L	A	P
Germany	<p>Germans don't prefer small talk but if you must break the ice talk about a highly relatable topic like sports.</p> <p>May rush you through this stage.</p> <p>Don't talk about Nazi Germany or about indulgent subjects.</p>	<p>Ask who is in charge if their schedule is still in line.</p> <p>Be subtle about it but it is more ok here to ask if anyone else will be joining you.</p> <p>Once these logistics are discussed do not try to change them.</p>	<p>Show a plan for the interactions between the two businesses.</p> <p>Build credibility for your firm.</p> <p>Make it very detailed and be ready for questions.</p>	<p>Ask if you have covered all of their concerns before going into core subjects.</p>
Brazil	<p>Aim conversation at the group but chiefly at the boss.</p> <p>Don't be too quick to get to business. Brazilians prefer extensive rapport building.</p>	<p>Don't introduce new people without time for introductions.</p> <p>Otherwise do this as normal.</p>	<p>Make your agenda show your intension to cover their concerns.</p> <p>Don't be in love with your agenda because it probably won't get followed.</p>	<p>Ask if there are any concerns.</p> <p>Business/unrelated topics will tend to mesh together.</p> <p>Aim this question once again toward the boss.</p>
China	<p>Don't make small talk that is too personal, but don't dive right into business either.</p> <p>Focus on credibility.</p> <p>Talk about positive experiences, avoid negative subjects.</p>	<p>Do not ask if anyone else needs to be present. This seems rude and you should be aware of this in their eyes.</p> <p>Ask permission to go into this stage.</p> <p>Ask if they require any alterations to the plan.</p>	<p>Make alterations to agenda as requested.</p> <p>There will most likely be questions.</p> <p>Make sure it is detailed</p> <p>Ask if the agenda is acceptable.</p>	<p>Ask the one in charge for this permission before moving on. Respect the hierarchy.</p>