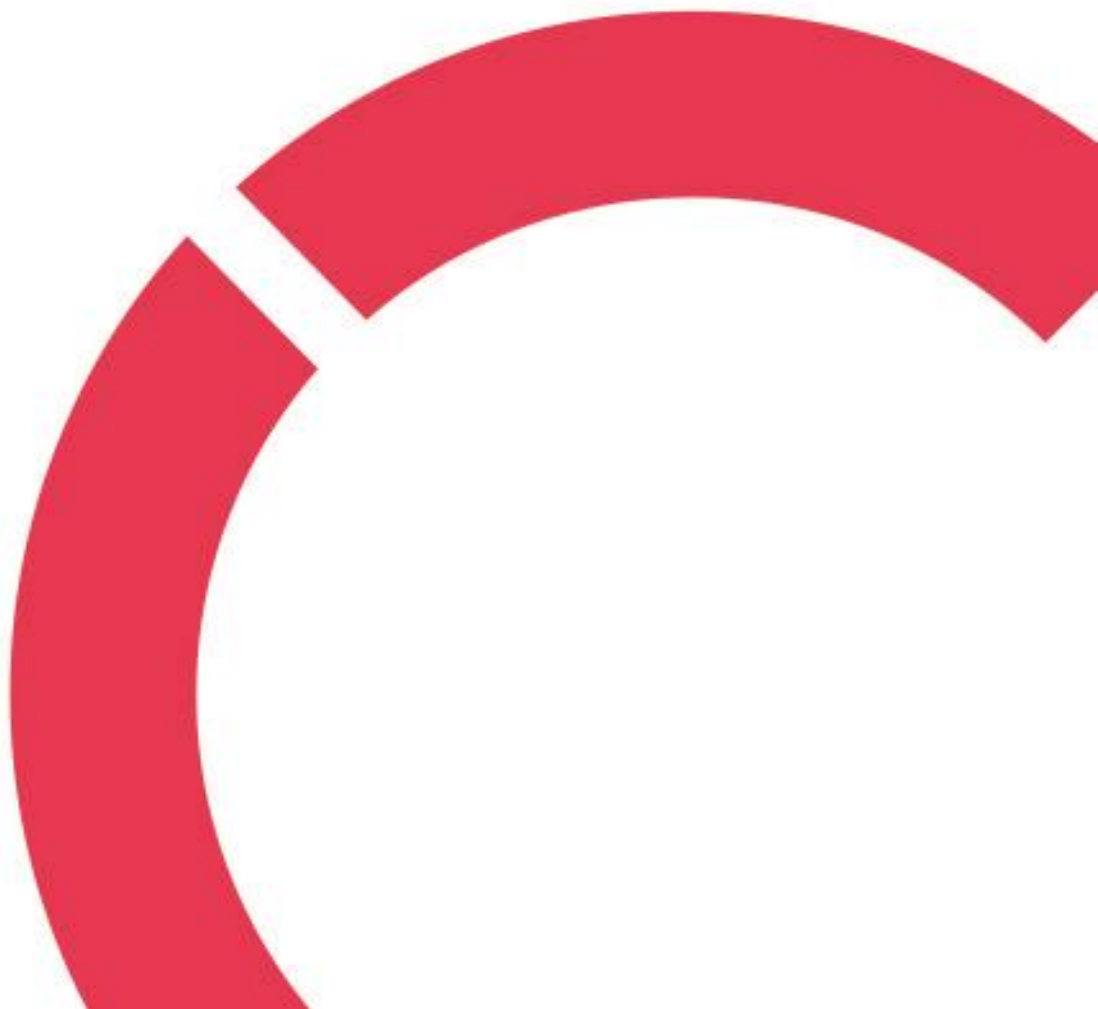Yuai Chen

LONG-TERM BUSINESS COOPERATION

The Importance of Knowing Business Culture in Doing Cross-cultural Business

Thesis
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ABSTRACT

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One of the characteristics of international business negotiations is multi-nationality and multi-ethnicity. Negotiators from different countries and regions have significant differences in language communication, thought patterns, decision-making process, and negotiation style. It is the cultural difference. Differences lead to deadlock or even failure of negotiations. Therefore, the importance of cultural differences in business culture was researched in this thesis, along with an exploration of the challenges that need to be addressed. The commissioner for this thesis was Dongguan Yaxin Craft CO., Ltd. The research aimed to discover how to use and develop better strategies to shape the relationship between the commissioner and foreign customers in future business interactions.

The theoretical framework was based on Hofstede's cultural dimensions theory, proposed by Dutch psychologist Geert Hofstede. This framework served as a tool for measuring the cultural differences among different countries. Theories on business culture, sourced from scholarly literature, were also analyzed to understand the significance and challenges posed by business cultural differences. Qualitative research methods were used in this thesis.

As a result of the thesis, recommendations were successfully drawn based on the author's research. These recommendations were provided to Dongguan Yaxin Crafts CO., Ltd., helping them gain a deeper understanding of business cultural issues in the future. This understanding would assist the commissioner in achieving long-term cooperation with foreign customers without misunderstanding cultural differences and finally get the result of mutual benefit.

ABSTRACT
CONTENTS

1 INTRODUCTION

International business refers to the trade of goods, services, and resources across borders. It involves the exchange of products and services between companies located in different countries and can include activities such as import and export, foreign investment, and cross-border mergers and acquisitions. The growth of international business is driven by several factors, including technological advancements, changes in government policies and regulations, and market globalization. As a result, international business is becoming increasingly important for companies of all sizes, from small start-ups to large multinational corporations (Czinkota, Ronkainen & Gupta 2021, 440). As mentioned, international business involves many factors, especially during business interaction and negotiation. So, in this thesis, the key aspects of culture will be extracted for discussion. Cultural differences are a key factor that cannot be ignored.

The Cultural Dimension Theory of Geert Hofstede, Director of the Institute of the Dutch Cultural Association, provides scholars with a coordinated scale for observing different cultural differences so that people can understand the cultural differences of various countries from different cultural dimensions to better handle cultural conflicts efficiently, break through cultural barriers, and achieve equal exchanges. According to Hofstede (1982), culture is the "common mental program" possessed by people in the same environment. Therefore, culture is not an individual characteristic, but a mental program shared by many people with the same social experience and the same education, different groups, people in different countries or regions. The reason why this common mental program will be different is that they have always received different education, had different societies and jobs, and thus had different ways of thinking. Nowadays, companies must be aware of cultural differences when doing business in different countries. This all makes international business more complicated. But it turns out that understanding each country's culture and identifying its specificities is very difficult. This thesis focuses on the countries where the commissioner (will be mentioned as Yaxin in this thesis), and the companies it cooperates with are located and starts from the cultural differences and challenges that Yaxin faces when communicating with these countries. Yaxin represents China. China is the largest manufacturing country in the world, and there are many economically powerful countries which Yaxin does business with. For example, the United States, the United Kingdom, Sweden and Finland in Northern Europe, and Spain are more representative countries. However, the impact of cultural differences and cultural norms on negotiations or interactions is extensive and profound. Different cultures naturally divide people into different groups. Such geographic and group differences tend to alienate

groups of different cultures. On the other hand, cultural differences are also barriers for people to communicate and interact. Therefore, both parties need to understand each other's culture, reveal and understand each other's purpose and behavior through cultural differences, and make themselves accepted and trusted by the other party. Eventually, a consensus will be reached.

This thesis uses qualitative research to solve the research objectives, and the data collection is primary. The main data come from six salesmen engaged in international business, of which 4 of the participants are salesmen from the commissioner of this thesis, and one of them is the CEO of the commissioner. The other two participants are from another company which I used to work with. Primary data results were generated from face-to-face interviews with the 6 participants, followed by the analysis of their responses which were then converted into a written format.

The main objective of this thesis is to understand the importance of the cultural differences and challenges of the business culture in the business interaction between Yaxin and its cooperating companies. This objective is reached by combining both the theoretical part and empirical parts.

This thesis is processed as follows five chapters in total, the first chapter is an introduction, so that readers can better understand the research purpose of this thesis, the collection of research data, and its collection process.

The second chapter is the theoretical part. This chapter provides basic information for understanding business cultures between countries. Also, it includes what kind of challenges will be encountered in Cross-cultural business due to cultural differences. It defines culture in general and explains the differences between culture and business culture and how to narrow those differences. Afterward, the importance of culture in international business negotiations is explained through a series of different levels of understanding that require cross-cultural understanding. Additionally, this chapter presents The cultural dimension theory of Geert Hofstede, Hofstede's five cultural dimension theories from his book Cultures Consequences: Comparing Values, Behaviour Institutions, and Organizations Across Nations, which is used to define culture and to help to understand the following chapters.

The third chapter is the research part. This chapter conducts interviews with the employees of the commissioner of this thesis, as well as two senior salesmen from another company, with their real working experience, to find out what challenges they encounter due to cultural differences and the impact of these challenges on business when negotiating with customers from other countries. Some dia-

grams are also used to show different communication methods. Hofstede's dimensions for China are described for a better understanding of cultural differences from other countries. The challenges are listed in this chapter and information provided in previous chapters answers the main research question.

The fourth chapter is the results of this research. The result is what kind of challenges are faced due to cultural differences in Cross-cultural business and why these differences are so important. This result is obtained together with the theoretical part.

The last chapter is a discussion and conclusion, it concludes the texts and research and gives some future suggestions to the commissioner.

2 THEORETICAL FRAMEWORK

Hofstede's cultural dimension theory is a framework proposed by Dutch psychologist Geert Hofstede to measure cultural differences in different countries. He believed that culture is the psychological program shared by people in an environment, which can distinguish one group of people from others. Through research, he summarized the differences among different cultures into five basic dimensions of cultural values.

2.1 Culture

> Culture is the collective programming of the mind that distinguishes the members of one group or category of people from another. – Geert Hofstede

Hofstede's book "Culture's Consequences" mentioned that the word "culture" is too broad in definition. The above definition by Hofstede should be one of the most representative of culture. This definition was created as a shorter version of Kluckhohn's definition of culture, like this: "Culture consists of patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional ideas and especially their attached values." (Hofstede 2001, 1125-1134)

2.2 Hofstede's National Cultural Model

Hofstede's cultural dimension theory is a framework proposed by the Dutch psychologist Geert Hofstede to measure the cultural differences between different countries. He believed that culture is the common mental program of people in an environment, which can distinguish a group of people from others. This theoretical framework began in the late 1960s when Hofstede conducted a large-scale survey of cultural values among IBM employees in more than 50 countries and regions. The survey and analysis focused on the cultural differences exhibited by employees across countries. Based on this research, Hofstede published the book "Culture's Consequences" in 1980, which proposed four dimensions for analyzing national culture: Power Distance, Individualism and collectivism, Masculinity vs.

Femininity, and Uncertainty Avoidance. In the late 20th century, Hofstede reviewed the research of previous years, this time including more countries and regions. In this study, Hofstede adopted the supplementary research of Michael Harris Bond and other scholars on this theory, added research on China, and concluded five dimensions of culture: Power Distance, Individualism and collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, and Long-term/Short-term Orientation. The dimensions are seen in figure 1. Although the cultural dimension theory has some limitations, it provides people with a coordinate system to understand the cultural differences between different countries, so that people can correctly understand different countries according to different cultural dimensions and understand the differences between countries. Differences better provide theoretical support for solving obstacles in intercultural communication. (Hofstede 2001,652 & 3256.)
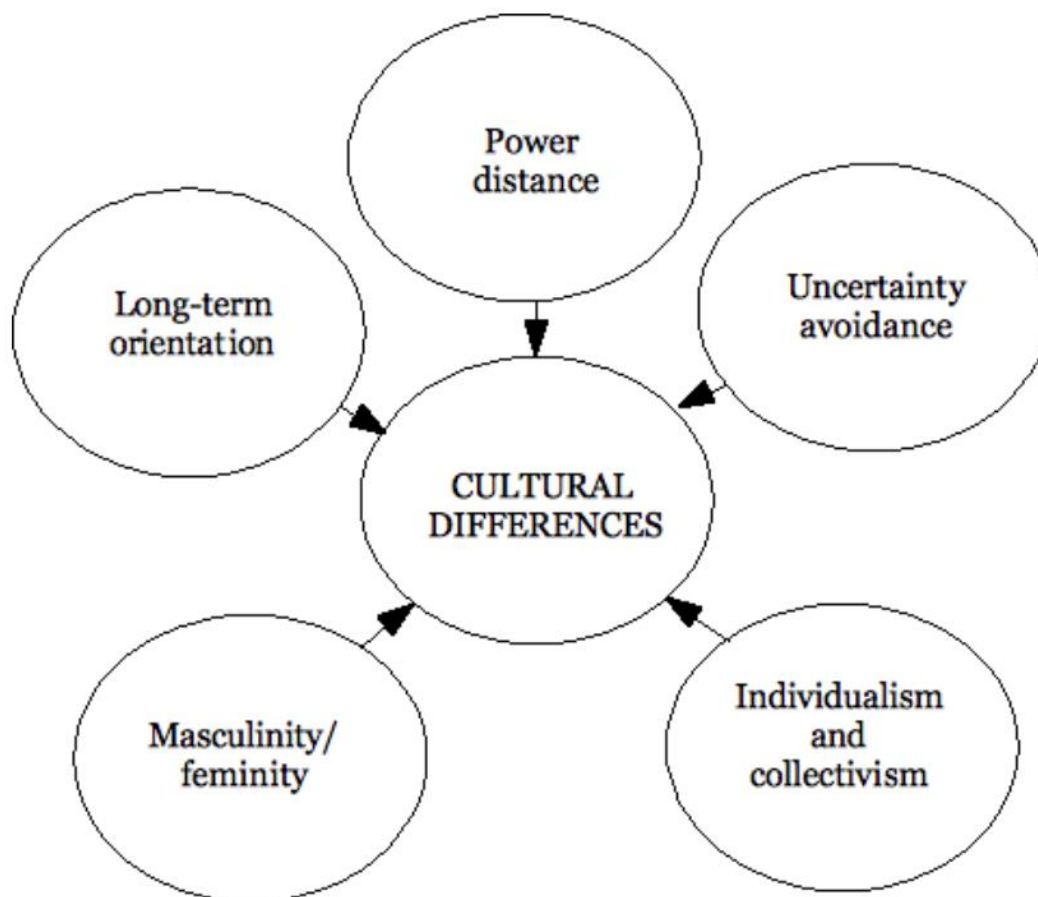
FIGURE 1. Cultural Differences (Adapted from Hofstede 2001)

2.2.1 Power Distance (PD)

Power Distance World map
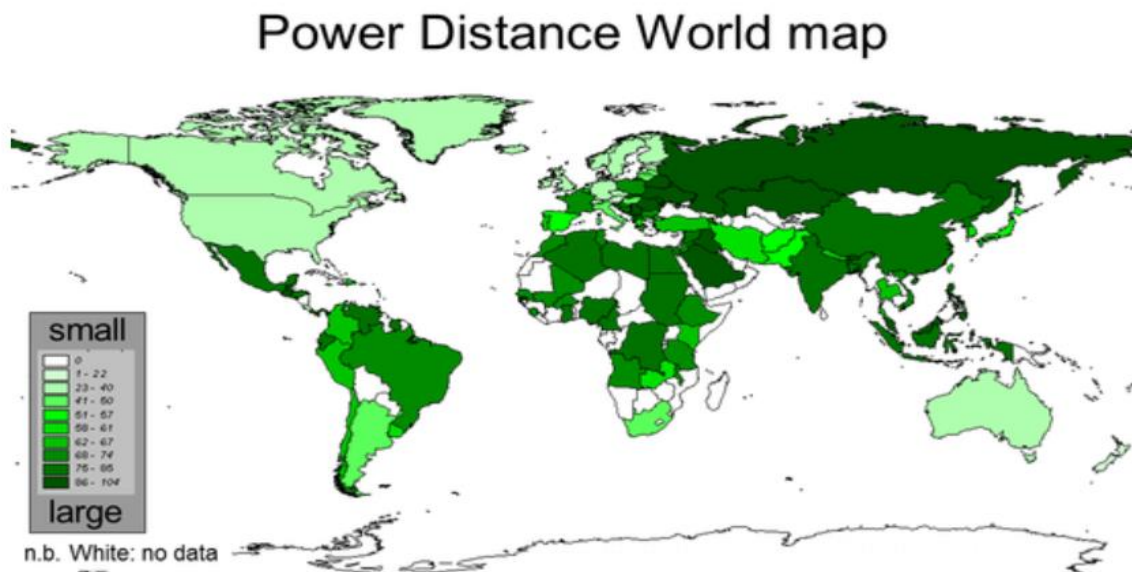
PICTURE 1. PDI World map (Captured from Hofstede 2021)

People's acceptance of the unequal distribution of power in society is referred to as "power distance." An attitude toward hierarchy is present in a country with a small (low degree) power distance: everyone should have equal power, hierarchies are established for practical reasons, and there is an underlying harmony between the powerful and the powerless. For instance, picture 1 demonstrates that Americans place more emphasis on developing their abilities. But because of history and the interplay of political systems, the majority of Asian nations place a high value on strength and binding force. These nations with a significant power gap view hierarchy as a form of division, with those in positions of authority enjoying privileges. These nations hold the view that the hierarchy should follow strict rules and that the person in charge should exercise their authority fully. Japan, South Korea, and China are among the nations that place a high value on seniority in order and the separation of superior and inferior status. The traditional Chinese culture, which has Confucianism at its core, has always emphasized the distinction between superiority and inferiority as well as orderly seniority. This is especially true when people communicate with one another; otherwise, it is impolite. Personal freedom has always been promoted in Western nations. Outside of the workplace, there is an equal relationship between children and adults as well as between superiors and subordinates. This illustrates the disparities in power relationships between Chinese and Western cultures.

According to Hofstede's (2001) cultural dimension theory, a corporate organizational structure in a society with a low power distance is typically flat. Making decisions from the bottom up is very common. For instance, the concept of hierarchy within the organization is relatively weak in some American and Nordic companies, and job grade is not always as important as personal ability. Since flat organizational structures are typical, two-way communication is essential. Enterprise managers are adept at gathering and incorporating the ideas of front-line workers, whereas employee communication frequently focuses on independent decision-making and actual behavior. All major decisions are based on the law, and rules rather than relationships.

2.2.2 Individualism versus Collectivism (IDV)

"Individualism" represents a loosely combined social organization structure, in which everyone values their values and needs, and relies on individual efforts to seek benefits for themselves. "Collectivism" refers to a closely integrated social organization, in which People often distinguish between "inside the group" and "outside the group". They expect to be cared for by those "inside the group", but at the same time, they also maintain absolute loyalty to the group in return (Hofstede 2001). The self-image of a people living in an individualistic society can be defined in terms of "I", then again in a collectivistic society it is "We". (Hofstede 2021.)
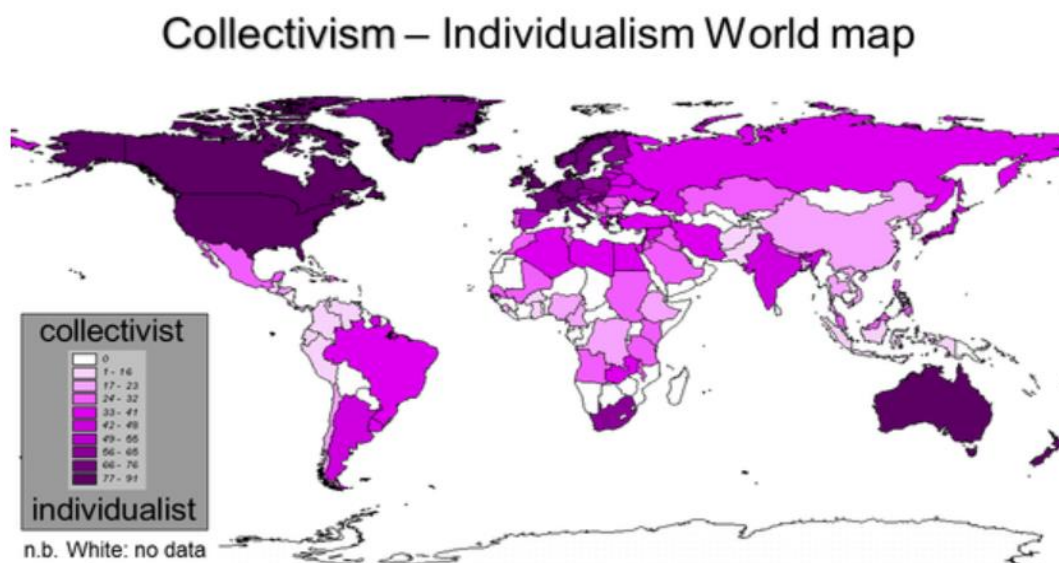
PICTURE 2. IDV World map (Captured from the Hofstede 2021)

High levels of individualism typically result in a culture that centers on the individual and highlights the individual's strengths, and individuality. However, as seen in picture 3, nations with a high level of collectivism, like China, focus on how the individual and the collective are coordinated. Everything is based on the idea that group interests take precedence over personal interests. Countries belonging to various coefficients have very significant cultural differences in this field of study. For instance, in Hollywood blockbusters, a superpowered hero who can save the world frequently makes an appearance. This film was produced in a manner that is typical of an individualistic nation. (Hofstede insights 2023.)

2.2.3 Masculinity versus Femininity (MAS)
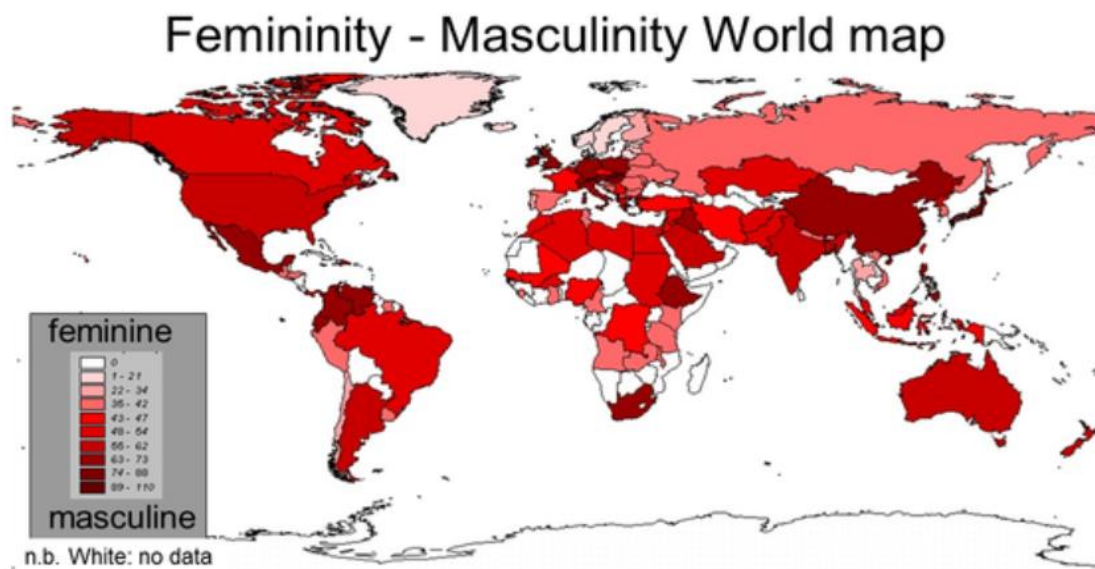
PICTURE 3. MAS World map (Captured from Hofstede 2021)

The rigid/flexible index is also known as a masculine society and feminized society. A "feminine society" is referred to as a society in which the gender roles of the two sexes overlap and the boundaries are not clearly defined. In a "masculine society," there is a clear division of labor between the sexes, and men should be self-assured, powerful, and focused on their work performance and achievements. Both men and women should act with humility, tenderness, and concern for the quality of life. The analysis of a large number of national social phenomena points out that in all societies, there are cultural phenomena of masculinity and femininity (Hofstede 2001). Picture 3 shows that countries with high rigidity index mainly include: Austria, Italy, Germany, Mexico, New Zealand, Switzerland, Japan, etc.; countries with high flexibility index include Chile, Argentina, Denmark, Finland, Portugal, Swe-

den, etc. In countries with a high rigidity index, male members pay more attention to status, work performance, and the display of aspirations. People in highly feminized countries believe that work is to live rather than life is to work. They pay more attention to the quality of life. To better prepare for communication and prevent the occurrence of culture shock when entering a different cultural environment, the rigidity/flexibility index helps us to identify which nations' social cultures are similar to our own and which nations are very dissimilar from our own.

2.2.4 Uncertainty Avoidance (UAI)

Avoiding uncertainty has nothing to do with being averse to risk or with abiding by the law. It has to do with fear and mistrust of the unknown, as well as the desire for established routines and rituals and knowledge of the truth. This represents the degree of anxiety experienced in an uncertain or unknown situation. People have a high sense of urgency and initiative in societies and nations with a high degree of uncertainty avoidance, according to studies (Hofstede 2001). People are more likely to live comfortably and promote risk-taking in societies and nations with low levels of uncertainty avoidance. Numerous researches have shown that Chinese people only moderately shy away from uncertainty. As a result, individuals in China often have a great feeling of urgency and preparation for unanticipated future events, and they attempt to prevent those dangerous circumstances by following strict practices and developing plans. Portugal, Greece, Peru, Japan, and Belgium can be compared to China in this regard. People in Western countries tend to have low uncertainty avoidance indices; therefore, they are often unconcerned about individuals or things that deviate from the primary topic. People there are hence usually more tolerant of unique emergencies. This group of countries also includes the Netherlands, Norway, Sweden, Finland, Denmark, Ireland, the United States, and Norway (PICTURE 4).

Uncertainty Avoidance World map
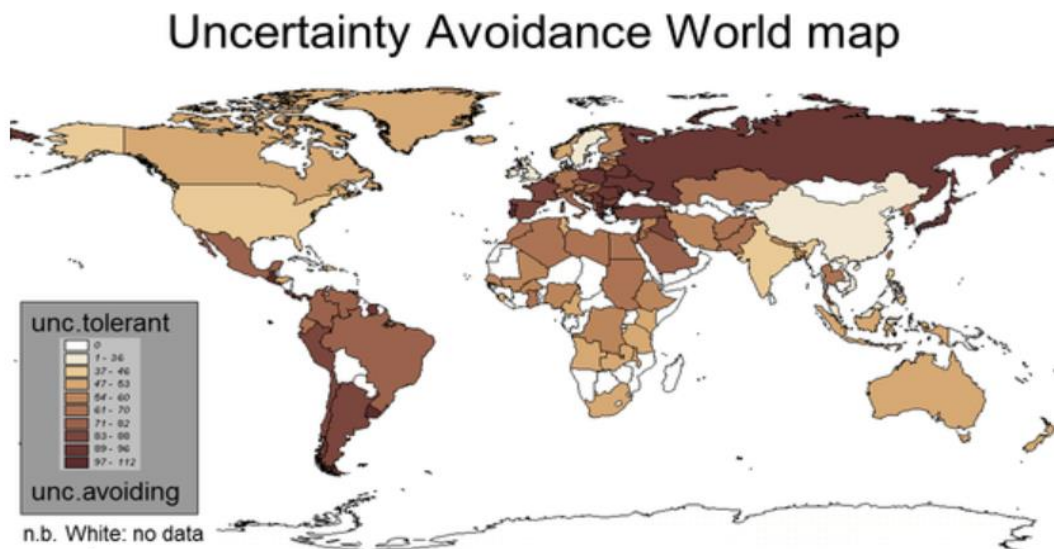
PICTURE 4. UAI World map (Captured from Hofstede 2021)

2.2.5 Long-term Orientation vs. Short-term Orientation

Hofstede drew the study on Michael Harris Bond's survey of Chinese values in 23 countries and final-ly summed up the fifth dimension of culture: long-term view/short-term view. The proposal of this dimension has also been widely used in economic circles. For example, countries with a long-term view usually like to cultivate talents and are willing to make long-term investments to achieve the ul-timate goal of profit. Countries with a short-term view usually prefer to select talents rather than culti-vate them. Managers advocate the same culture of corporate connection for all customers, without em-phasizing cultivating relationships. China is one of the countries that tend to take a long-term view, while many countries in the West are guided by a short-term view (Hofstede 2001). Picture 5 repre-sents an overview of the world map of long-term vs. short-term orientation.
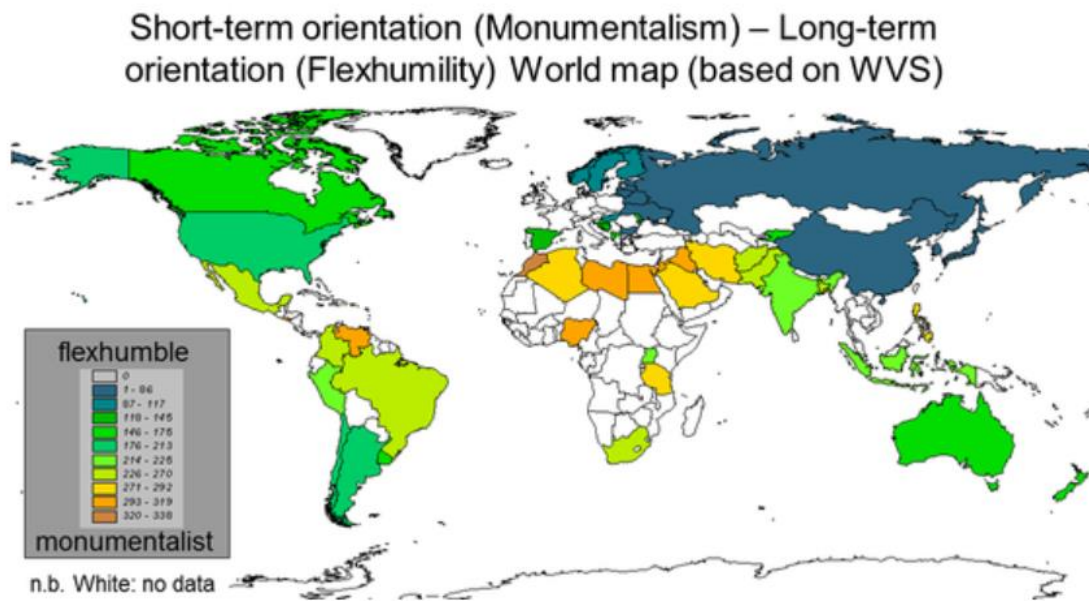
PICTURE 5. Long-term vs. Short-term Orientation World map (Captured from Hofstede 2021)

2.3 The Importance of Knowing Cultural Differences in Cross-cultural Business

The importance of culture is enormous worldwide. It encompasses almost all that is there in the world, on the one hand. On the other hand, it confirms that culture, in general, and several cultures, in particular, are at the very heart and core of the globe. Because they are concerned with the formation of material and financial wealth concerning people's jobs, incomes, and means of subsistence, economies, and economics play a crucial role in this. The article (Powell 2021) "Fieldwork in a Foreign Culture: Challenges of Communication and Integration for Anthropologists in Business" explores the challenges anthropologists face in effectively communicating their anthropological perspectives and concepts in the business context. It emphasizes the need to balance their unique anthropological identity with the demands of the business culture, requiring them to understand power dynamics, hierarchies, and communication norms. It also highlights the importance of anthropological theory in business contexts and the complexities of conveying these concepts to non-anthropologist audiences. Overall, the article provides a comprehensive exploration of the cultural adjustments and communication hurdles faced by anthropologists as they navigate their roles in the business world while maintaining their anthropological identity.

The article of Prasanta (2016) explored the understanding and meaning of intercultural communication, barriers to intercultural communication, and measures to overcome these intercultural barriers through the development of intercultural competence in organizational settings. It is also shown that intercultural communication is important in any career field and therefore understanding the art of how to communicate with other cultures should be an emphasized workplace skill as well as an important skill for developing business.

Additionally, Grahovac, Herzegovina & Rađenović-Kozić (2020) in their literature review mentioned that to successfully do business with foreign partners, it is necessary to understand their culture and how to adapt to it. Empirical studies in the field have shown that business goals, relationships, business negotiation methods, the corporate culture itself, and the resulting values differ according to the culture to which the business entity belongs. The first step in business cooperation is to respect all elements of the national culture. Understanding and respecting diversity influences understanding and attitudes towards business partners; there are no uniform rules, and no unique strategies are possible. To avoid any misunderstandings, understanding the characteristics of business cultures and negotiation styles is a necessary prerequisite for achieving successful cooperation.

2.4 Cultural Challenges in Cross-cultural Business

Communication across cultural boundaries is a daily effort in global company collaboration. However, this communication might become exceedingly challenging owing to cultural differences. The following are a few communication difficulties encountered by international teams. To begin with, one of the most typical hurdles to cross-cultural contact is language. Although English is becoming a universal language, certain team members may still have communication issues because of their limited English proficiency. Differences in culture are next. People from various cultural backgrounds could have varying opinions and understanding of the same item. For instance, while direct opinion expression is frowned upon in certain cultural norms, it is regarded as honest and sincere in others. The time zone differences are the last. Communication becomes more challenging when team members or collaboration partners are dispersed across multiple time zones. There could be a need to contact outside of regular business hours due to time zone variations or delayed answers.

Cultural differences affect the way people communicate, negotiate, make decisions, and show respect. For example, in some cultures, it is customary to establish personal relationships before engaging in

business, while in other cultures, business relationships take precedence. Jain & Pareek (2019) in Global Management Review mentioned that cultural diversity can be defined as the presence of differences in race, ethnicity, language, nationality, religion, and sexual orientation within a community. A community can be said to be culturally diverse if its inhabitants include members of different groups. A community can be a country, region, or city. When cultural diversity is applied to the workplace, it has become a topical issue. Every cultural diversity presents a challenge to the organization in any multinational firm or partnership. The main difficulty will be getting workers from various cultural backgrounds to cooperate. At the same time, this can be an advantage. A culturally sensitive manager is used to increasing the creativity of the organization and gain more competitive advantage by addressing cultural differences using flexible leadership.

2.5 The Traditional Personality of China

In Chinese society, Renqing (exchange of favors), Mianzi (face), and Guanxi (relationship) are very important topics. They have a profound impact on social and interpersonal relationships.

PICTURE 6. Infographic for Renqing, Mianzi & Guanxi (Gao 2017)

There is a short description of Renqing, Mianzi, and Guanxi (PICTURE 6). First, let's talk about Renqing. "Renqing" refers to the emotional connection between people and the obligations and responsibilities that come with this connection. In Chinese culture, "Renqing" is very important, people usually attach great importance to the relationship with others and try their best to establish good "Renqing" with others. This "Renqing" can be a family relationship, a friendship relationship, or a professional relationship. When you develop a strong network of people in this society, you can use these relationships to get help and support. Then, there is "Mianzi" which represents personal image and dignity. In Chinese culture, the "Mianzi" is very important. People are usually very conscious of their image and reputation and work hard to save "Mianzi". In social situations, people give each other a "Mianzi" to avoid conflict or awkward situations. At the same time, the "Mianzi" can also become a social tool. By giving "Mianzi" to the other party, one can gain the recognition and trust of the other party. Finally, let's look at relationships. "Guanxi" is the connection and interaction between people. In Chinese culture, "Guanxi" is very important. People often spend a lot of time and energy building and maintaining relationships. This relationship can be a family relationship, a friendship relationship, or a professional relationship. By establishing a good relationship, you can get more opportunities and resources, and at the same time avoid some potential troubles. (Gao 2017)

Therefore, Renqing, Mianzi, and Guanxi are very important in Chinese culture. They are an important part of social and interpersonal relationships. By building a strong network of people, maintaining your face, and establishing good relationships, you can be more comfortable in social situations, and you can also get more opportunities and resources. Emphasis on human affection and despise law. Human relations, principles, and law are in a clear order. In everything, human relations are considered first, followed by principles, and the law is ranked last. Therefore, people's legal awareness is relatively weak, risk awareness and competitive spirit are not strong, and time concept and enterprising consciousness are indifferent (Gao 2017.)

According to Chen (2019), Chinese traditional culture is based on the patriarchal social structure maintained by the ties of blood, which is manifested as "the unity of man and nature", with the characteristics of emphasizing human relations over nature, emphasizing groups over individuals, and emphasizing righteousness over profit. The pursuit of "harmony" in the relationship between society and people, and between people is the mainstream ideology of Confucianism. Emphasis on groups rather than individuals, emphasizing interpersonal relationships and human touch, expressing group nature and group consciousness, emphasizing sophistication, loving "Mianzi", and developing a traditional character of modesty, prudence, tolerance, and reservation.

3 RESEARCH METHODOLOGY

The following part of this thesis will present the methodology behind the research and data collection. The main reason for this chapter is to present the background of what was researched, what it was about, and why. It is also important to emphasize how this research is based on a theoretical framework or previous literature reviews. As already mentioned in chapter 1, I decided to use qualitative research. The limitations of this methodology will also be explained in this chapter.

3.1 Information of the Commissioner

In this thesis, Dongguan Yaxin Arts & Crafts Co., Ltd. is the commissioner, Yaxin was established on June 08, 2020, and its registered place is located at Room 201, Building 1, No. 16, Hujing Avenue, Houjie Town, Dongguan City, Guangdong Province. The representative is Yu Lijun. The business scope includes processing and sales: hardware crafts, lampshades, lighting decorations, melt-blown fabric products, and plastic products.

According to the commissioner's description, they mainly face three problems in cross-cultural business. Firstly, the language and communication issues. In cross-cultural business, because partners come from different language families and backgrounds, there may be obstacles in language use and communication methods. Due to differences in language habits, word expression, pronunciation, and intonation, there may be differences in understanding between each other, and even misunderstandings and cultural conflicts. Secondly, misunderstanding is caused by cultural differences. Since there are huge differences between different cultures, it may lead to mutual misunderstanding. Different cultures lack common values, beliefs, customs, traditions, etc., and often even have completely different interests and values. Therefore, in cross-cultural business, the understanding of cultural differences is often extremely challenging. Lastly, the teamwork. Due to the differences brought about by different cultures, cross-cultural teamwork will encounter difficulties in many aspects. For example, it may be difficult to reach a consensus on the cooperation process, teamwork concept, working method, and goal definition in cooperation, which will affect the development of the project and the control of the progress.

3.2 Research Design

In this part, I present the research design. It includes research purposes, research questions, research methods, research objects, data analysis, and research limitations, etc.

3.2.1 Research Objectives

With the acceleration of globalization, multinational enterprises and cross-cultural communication are becoming more and more common. Chinese companies have also started Cross-cultural communication, but the cultural differences, language differences, and value differences of multinational companies have also brought new management problems. Yaxin hopes that this thesis can analyze the management strategies and problems in cross-cultural communication of Chinese enterprises. From experience, Yaxin thinks that to succeed in cross-cultural communication, appropriate management strategies must first be adopted. First of all, enterprises should carefully study and understand the target market and cultural environment. For example, for a Chinese company to conduct business in the US market, it first needs to understand the cultural background and business rules of the US market, so that it can formulate a market strategy for the local market. Secondly, cross-cultural communication requires good communication and cooperation with local companies and personnel. If you are not familiar with the actual situation of the local market and there is friction with local enterprises and personnel, it will be difficult to achieve successful communication. Therefore, enterprises need to face and solve language problems, cultural differences, and management styles to ensure the successful and sustainable development of Cross-cultural communication.

3.2.2 Qualitative Method & Data Collection

Qualitative research aims to describe, explain, or predict real-world phenomena. Phenomenology is a research method that describes phenomena through "direct knowledge". It is a method of describing the "real experience" of a phenomenon through narratives or interviews with people who have lived through a particular event or period (Merleau, Landes & Lefort 2012). This thesis requires direct observation and interviews to collect data, and the interviewees must be a specific group of people who have a direct relationship and experience with the study. This is how the data collected can be turned

into opinions, feelings, and experiences. Of course, the choice of qualitative research has its drawbacks. Firstly, the research is more expensive in terms of labor, as data has to be collected through direct observation and interviews. Secondly, since the data collection is based on the personal observation of the researcher and at the same time the subjects are a specific group of people who react in a specific context, the conclusions obtained will be difficult to generalize to a wider range of contexts, and the objectivity of the conclusions will be limited.

As I mentioned in the introduction, data collection for this research is primary. I chose this qualitative approach because the author has a long previous relationship with the participants. I has been acting as an intermediary between the customers and the six participants, which makes I conduct face-to-face interviews with them. There were six participants, 3 of them were salesmen from Yaxin, two were from another company that also has a good connection with me, and one of them was the CEO of Yaxin. I will conduct Semi-structured interviews, which will last between 30 minutes to 1 hour. The interviews will be held in Yaxin office space, two interviews will be scheduled per week and three weeks in total. Before the interview, I will develop a detailed interview date and list of questions, the questions will be shown in chapter 3.3.2. During the interviews, I would take notes. The language will be mainly Chinese, and I will translate, generate, analyze their responses, and then convert them into a written format.

3.2.3 Qualitative interview questions

In this study, the author will focus on the topic of "culture" as it relates to practices or phenomena in cross-cultural business. Therefore, the interview questions formulated by me, for the participants are based on the research purpose of this paper, the theoretical framework of Hofstede, and the scholarly literature collected by me. To understand more specifically what role culture plays in cross-cultural business. Each step in formulating interview questions needs to be carefully considered and meticulously executed to ensure the reliability and accuracy of the research (APPENDIX 1).

3.2.4 Research Limitations

The limitations of qualitative research shown in this thesis are the following: Firstly, respondents had more time to consider their answers as all interviews were conducted face-to-face and I was required to

take notes. This may reduce the spontaneity of responses and lead to interviewees responding as they believe the interviewer intended. Another factor that may have prevented all respondents from responding was the language barrier. Respondents may also be prevented from answering by cultural obstacles. Some people could have thought the interview questions were too blunt and straightforward. Secondly, the results of the study are highly subjective. The results of qualitative research heavily rely on the researcher's perceptions and interpretations, which might cause subjectivity and incorrect interpretation of the findings. Thirdly, qualitative research usually does not have a standardized research methodology, and in this thesis, all the participants are in the same industry although they are in multinational business. This may affect the reliability and consistency of the results. (O'Gorman & MacIntosh 2014.) Due to the non-standardized nature of qualitative research, the process of data collection and analysis may be subject to uncertainty and error. Finally, it is difficult to conduct large-scale qualitative research. Compared to quantitative research, qualitative research may encounter more challenges when dealing with large-scale data.

However, despite these limitations, qualitative research continues to play an important role in many fields, as it can help to understand and explain certain phenomena or problems in greater depth, rather than just obtaining statistical generalizations.

4 RESULTS

In this chapter, the findings will be summarized based on the respondents' answers by converting them into a written format. Finally, this result is obtained together with the theoretical part.

4.1 Answers to interview questions

There were 6 respondents of 6 participants, I have translated and described briefly in this part (AP-PENDIX 2).

The first question asked what culture is, most of the respondents knew what "culture" was and gave their different opinions. They are knowledge, beliefs, arts, morals, laws, customs, etc. Culture is not easy to define, especially since cultures have different meanings in different contexts. (Edgar & Sedgwick 2007.) The respondents felt that language was the biggest barrier in their communication with clients when I asked them what the most common cultural problem is when communicating with their customers on the second question. They all use more time in communication otherwise it may lead to misunderstanding and affect the quality of communication and business success.

In the third question about whether the respondents work overtime often, the respondents answered that they would work overtime. For the fourth question, they all answered YES, because generally, business representatives who have been working with China for a long time know Chinese hospitality. Some customers may not directly express their feelings but also take the opportunity to eat with you to have a closer interaction and a better understanding of your company or product. This brings us to the sixth question, about the Renqing relationship. 5 respondents out of 6 said that their customers know about Renqing, Mianzi, and Guanxi.

Coming to the fifth question, who takes the lead in a negotiation depends on the situation and the relationship. Generally speaking, the person who has more information about the market and industry, and has more resources, is likely to have more control in the negotiation. At the same time, if one party has a higher position or greater decision-making power than the other, it may also have greater control in the negotiation. However, since our respondents are acting as party B, they are generally in a humbler as well as passive position. When I asked the respondents on the seventh question about the worst

thing that happened in doing business in cross-culture, respondents had had bad situations of varying sizes happen to them, the vast majority of which are due to cultural differences. In the last question, all the respondents gave the same answer without thinking.

4.2 Findings

All respondents gave their definitions of culture (APPENDIX 2). It is a specific way of life, including knowledge, belief, art, custom, tradition, etc. It is the product of people's long-term creation and formation, and it is also the accumulation of historical phenomena. And cultural experience is that everyone understands a certain culture through personal participation or observation, to gain deep feelings and understanding. Besides, Hofstede's cultural dimensions have been widely used in cross-cultural studies, international business, and intercultural communication. They provide a helpful framework for understanding and appreciating the diverse ways in which societies function and perceive the world. However, it's important to note that these dimensions provide a simplified view of complex cultural realities and can't capture all nuances and variations within a culture. Additionally, culture is a dynamic and evolving concept that can be influenced by various factors over time. Nevertheless, I still have to bring up the book of Hofstede (Hofstede 2001), according to the paradigm in picture 7 also showed comparing historical periods is necessary to comprehend cultural distinctions. Comparative historical studies can be categorized into three categories: macro-causal analysis, variety demonstration through comparison of similar events and their circumstances, and demonstration of one theory through parallel cases. The primary sources of cultural variations are external factors like those of nature or humanity. Changes in ecological conditions, such as those in technology, the economy, or hygiene practices, lead to changes in standards. Since this assumption ignores the role of the situation in actual behavior, the most efficient strategy to alter mental programs is to alter behavior first. Societies are also affected by this. The system in picture 7 is in a homeostatic quasi-equilibrium, and there are instances of humans preserving their identities over millennia using similar systems. However, previous populations in comparable circumstances have vanished when external forces disrupted their self-regulating cycles. In these situations, both the strength of the preexisting self-regulation and the strength of external influences have contributed.
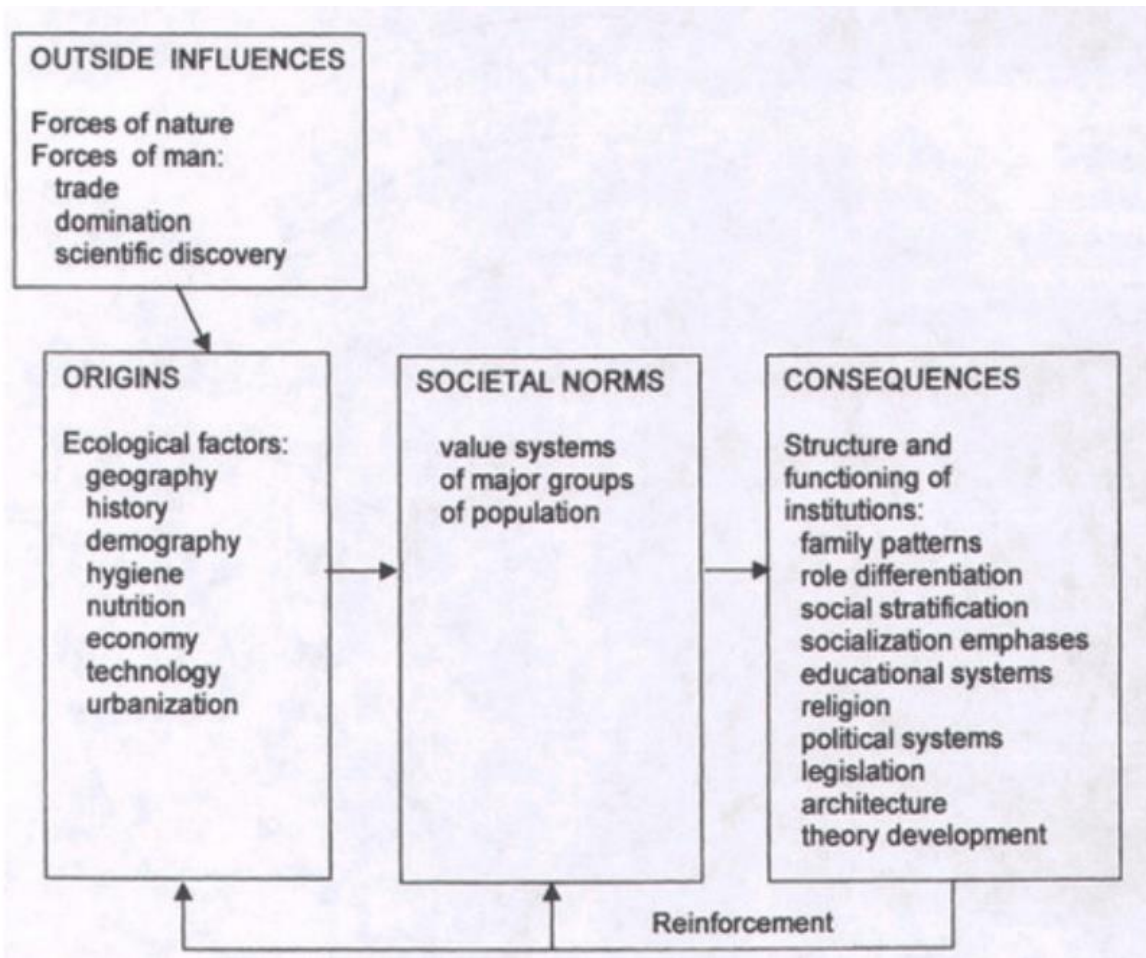
PICTURE 7. Exhibit 1.5. The Stabilizing of Culture Patterns (Hofstede 2001)

Five of the six respondents mentioned "language barrier" was the most significant cultural problem when communicating with their customers on the question about cultural problem when communicating with their customers, and two of them were directly explained in this context:

> Language is a crucial aspect of culture, often leading to cross-Cultural conflicts. Although translating between languages is accurate, international business exchanges can fail due to language differences. Pragmatic failures occur when standard norms of one culture cannot be applied to another, causing failure in Cross-cultural communication. (Jason 2023)

> Yes, language usage is a major cultural issue. With American and European clients, some terms and phrases are used in various ways across countries. (Jerry 2023)

Due to the influence of different cultural backgrounds and values, the respondents have encountered many cultural problems. First, language barriers are one of the most common problems in cross-cultural negotiations. Due to language differences, there may be communication barriers and even misunderstandings between the two parties. Then there is cultural misunderstanding, which is very

common in cross-cultural negotiations. Because of different cultural backgrounds and customs, both parties may misunderstand each other's actions and motivations. In addition, different cultural backgrounds and values under different cultural backgrounds may cause conflicts between the two parties in negotiations. For example, the culture of European and American countries may pay more attention to individualism, while the culture of our respondents pays more attention to collectivism. For the company's benefit, all respondents don't even mind if they work overtime (APPENDIX 2). Finally, differences in spatial concepts will also affect the negotiation atmosphere and the relationship between the two parties. For instance, according to respondents' answers to the interview question "Do you think Renqing, Mianzi, and Guanxi work with your customers?", we can make this question into two parties based on their answers. One party thinks these three Chinese culture factors Renqing, Mianzi, and Guanxi not working with their customers and another party thinks they work. The below contexts represent these factors not working with their customers.

> The Renqing, Guanxi, and Mianzi are not working at all with my customers. But I keep in touch twice a month with my customers. (Jerry 2023)
>
> The culture of Renqing, Mianzi, and Guanxi in China may not be suitable for foreign customers due to their differing thinking, understanding abilities, and values, as they are separate from public and private. (Vivi 2023)

European and American cultures may pay more attention to personal space and privacy, while other cultures may pay more attention to intimacy and interaction. This is also related to China's three major cultures, Renqing, Mianzi, and Guanxi. In cross-cultural business, foreign customers pay attention to terms and contracts. When Chinese people do business, they pay attention to Renqing, which is a big difference between the two. But now, Chinese people are doing business more and more like people in European and American countries. Only when the contract is done well, can we be friends. But if we only talk about Renqing and Guanxi, then this business will not last long. Foreign customers view Renqing, Mianzi, and Guanxi differently due to different countries and cultural backgrounds. Americans usually pay more attention to personal independence and independent decision-making and place less emphasis on Renqing and Mianzi. They believe that everyone should be in charge of their own lives and decisions, rather than being influenced by the expectations and pressures of others. Therefore, in some cases, Americans may feel that the Chinese pay too much attention to Renqing and Mianzi, and they will feel a little uncomfortable at first.

However, I think that all of this depends on the time the customer has cooperated with you because most of them are willing to go to dinner with you outside of business talk, and even use Renqing to

negotiate prices with you. Two of the respondents have presented a good concept which they think that Renqing, Mianzi, and Guanxi working well with their customers at this point:

> The customer's opinion varies based on the years of cooperation with us. Old customers of ten negotiate lower prices and engage in social interactions, while new customers focus on business and legal compliance in contracts. (Mr Yu 2023)

> I think they know how to play Renqing, Mianzi, and Guanxi because when they bargain for a cheaper price, they often say I know your boss or preview salesman, they usually give me the best price and I know the price market in this line in China. (Ted 2023)

There is also a general perception among Europeans that the Chinese place too much emphasis on Renqing and Mianzi, feeling that this relationship may hinder fair and equitable decision-making. However, some other European countries believe that this relationship can promote stable and harmonious social relations. In other words, it can achieve the effect of long-term cooperation.

From the answers of all respondents (APPENDIX 2) it is easy to analyze all the respondents' answers that cultural differences are a major challenge in multinational business. Yet, cultural comparison was a necessary step for cross-cultural communication. The differences between doing business in China and the West can be compared in several ways. A comparison was made in terms of the cultural context of business, as could be seen later in chapter 5.1 where several countries were compared in five cultural dimensions. Chinese business culture focuses on collectivism and relationism, whereas Western business culture focuses more on individualism and competition. This cultural difference was manifested in business transactions, where Chinese business representatives preferred to make deals by building long-term relationships and trust, while Western business representatives focused more on short-term transactions and competition. There were also significant differences between China and the West when it came to business habits. For example, during negotiations, Chinese business representatives tended to focus more on harmony and compromise, while Western business representatives focused more on efficiency and goals. Chinese business representatives liked to build relationships and trust during negotiations as mentioned in Chapter 2.5 the "ideology of Confucianism," while Western business representatives were more focused on achieving specific business goals. These differences required constant communication and understanding between the two parties during the transaction process to reach a common business agreement. There were also some differences between China and the West when it came to business laws. According to Gao in Chapter 2.5, Chinese business law focuses more on collectivism and relationism, while Western business law focuses more on individualism and rules. This difference could also be seen in business contracts, where Chinese business repre-

sentatives were more inclined to build long-term relationships and trust, while Western business representatives were more focused on specific contractual terms and legal safeguards. Therefore, it is vital to understand and respect cultural differences. It is only through understanding and respecting cultural differences that a company can successfully communicate and cooperate across cultures in the context of globalization.

Turning to the interview question regarding "What is the worst thing that happened in doing business in cross-culture?". One of the respondents answered:

> 3 years ago, due to a misunderstanding in communication, the customer returned 2 high containers of goods resulting in heavy losses for the company. So, cultural factors are a big matter in Cross-Cultural business. (Vivi 2023)

The point of this respondent was successfully proof that it's important to know how to communicate in cross-Cultural business. Sabala's book "Cross-Cultural Management And Negotiations" mentioned

> The impact of culture on people's behavior is huge and throughout history, many international relations and negotiations between two parties, belonging to different cultures, have failed because of different mindsets and different approaches. (Sabala 2023)

The article "Business Communication: Exploring the Role and Importance of Communication and its Growing Relevance in the Cross-Cultural Business Environment across the Globe," by Pooja Khanna (2015) discussed the significance of cross-cultural communication in today's globalized business environment. It emphasizes the impact of culture on communication and the challenges faced by multinational companies in this context. Khanna highlights the importance of understanding cultural differences and values to foster effective communication, reduce misunderstandings, and build respectful relationships. Additionally, the text emphasizes the importance of good communication skills, both written and spoken, in the business world and provides practical tips for successful cross-cultural communication, including adapting to different cultural norms and preferences. Overall, the whole article underscores the critical role of communication in business success and the need for individuals to develop strong communication skills to thrive in a globalized economy.

By and large, cross-border businesses faced many challenges in the process of globalization, and one result was drawn from this research that the biggest challenge was cultural differences. Cultural differences included values, social customs, communication, time concepts, work attitudes, cultural differences, language barriers, time zone issues, and political risks. Cultural differences not only affect the

day-to-day operations of a business but also have a significant impact on its success. Culture affects business decisions in all aspects, including product development, market research, marketing strategy, human resource management, etc. As Welch & Welch (2008) stated

> A communicator must be skilled at intercultural communication in an era where multiculturalism is required. This ability to communicate across cultural boundaries would enable an organization to accomplish goals while paying due respect to the values, norms, and beliefs of the people who would be impacted by its operations. To overcome the obstacles to cross-cultural communication, a business organization must build intercultural competence into its organizational structure.

In other words, culture plays a vital role in multinational business. Enterprises needed to respect the local culture, gain a deep understanding of the needs and preferences of the local market, and formulate business strategies suitable for the local area to ensure business success.

5 DISCUSSION & CONCLUSION

This chapter will summarize the specific aspects of Yaxin's shortcomings in doing cross-cultural business. Using Hofstede's 5 cultural dimensions to discuss various aspects of culture and its impact on cross-cultural negotiations, as well as to discuss the gap between China and Yaxin's main customers, summarize the relevant issues for these gaps, and put forward effective suggestions for future development based on the research results. More specific suggestions will be presented in 5.3.

5.1 Discussion

The data analysis of this thesis has well-provided information on various aspects of culture and its impact on cross-cultural negotiations. Next, let's organize a discussion around the key points presented in the thesis regarding culture's impact on cross-cultural negotiations:

First was represented culture definition and dynamics: Culture is defined as a way of life encompassing knowledge, beliefs, art, customs, and traditions, shaped by historical accumulation. Cultural experiences involve personal participation or observation, leading to deep understanding. Hofstede's cultural dimensions offer a framework for understanding societal functioning and perception, though they simplify complex cultural realities. This section highlights the essence of culture and the potential limitations of using simplified models like Hofstede's dimensions in cross-cultural negotiations. Negotiators must balance understanding with oversimplification.

Second, comes the dynamic nature of culture: Culture is a dynamic and evolving concept influenced by various factors over time, such as external forces, ecological changes, and technological advancements. Recognizing culture's dynamic nature emphasizes the need for adaptive negotiation strategies. Negotiators should be open to change and responsive to evolving cultural contexts.

The third one on Hofstede's influence: Hofstede's cultural dimensions from his 2001 book are relevant, emphasizing the need to compare historical periods to comprehend cultural distinctions. Comparative historical studies can be categorized into macro-causal analysis, variety demonstration, and parallel case demonstrations. While Hofstede's dimensions are valuable tools, they should be used judiciously.

Researchers and negotiators should consider the context-specific nature of cultures and be cautious about overgeneralizing.

And the next is cultural variations: Cultural variations arise from external factors like nature or technology. Changes in ecological conditions lead to shifts in standards. Altering behavior can modify mental programs, affecting societies and their identities. Understanding the drivers of cultural variations is critical for anticipating and addressing negotiation challenges associated with these differences.

And then to the cross-cultural negotiation's challenges: Respondents identified language barriers, cultural misunderstandings, conflicts due to differing cultural backgrounds, and spatial concept differences as common challenges in cross-cultural negotiations. Identifying these common challenges underscores the importance of effective communication, intercultural competence, and the ability to navigate differences in cross-cultural negotiations.

Furthermore, the cultural background impact and cultural business practices: Different cultures prioritize aspects like individualism or collectivism, affecting negotiation dynamics. European and American cultures emphasize personal space and privacy, whereas other cultures value intimacy and interaction. Identifying these common challenges underscores the importance of effective communication, intercultural competence, and the ability to navigate differences in cross-cultural negotiations. Chinese business practices, such as Renqing, Mianzi, and Guanxi, differ from Western practices focused on contracts and independence. Understanding these differences is crucial for successful cross-cultural business interactions. Understanding these differences is essential for successful cross-cultural business interactions. Negotiators should adapt their approaches to align with the cultural practices of their counterparts.

Moreover, from the European and American perspectives: Americans emphasize personal independence and decision-making, sometimes finding Chinese practices excessive. Europeans hold mixed views on Chinese practices, seeing them as promoting social relations but possibly hindering equitable decision-making. These perspectives illustrate the diverse reactions to cross-cultural business practices and highlight the need for nuanced approaches when dealing with different cultural backgrounds.

Last but not least, cultural challenges in multinational business: The analysis highlights cultural differences as a significant challenge in multinational business. Understanding and respecting cultural diver-

sity are essential for effective communication and cooperation in a global context. Emphasizing the importance of understanding and respecting cultural diversity reiterates the need for intercultural competence and sensitivity in the global business landscape. Effective communication and cooperation hinge on these principles.

Taken together, the importance of cultural understanding in cross-cultural negotiations is emphasized, and the recognition and respect of cultural differences are crucial to successful international business interactions in the era of globalization.

5.2 How to narrow down the cultural differences
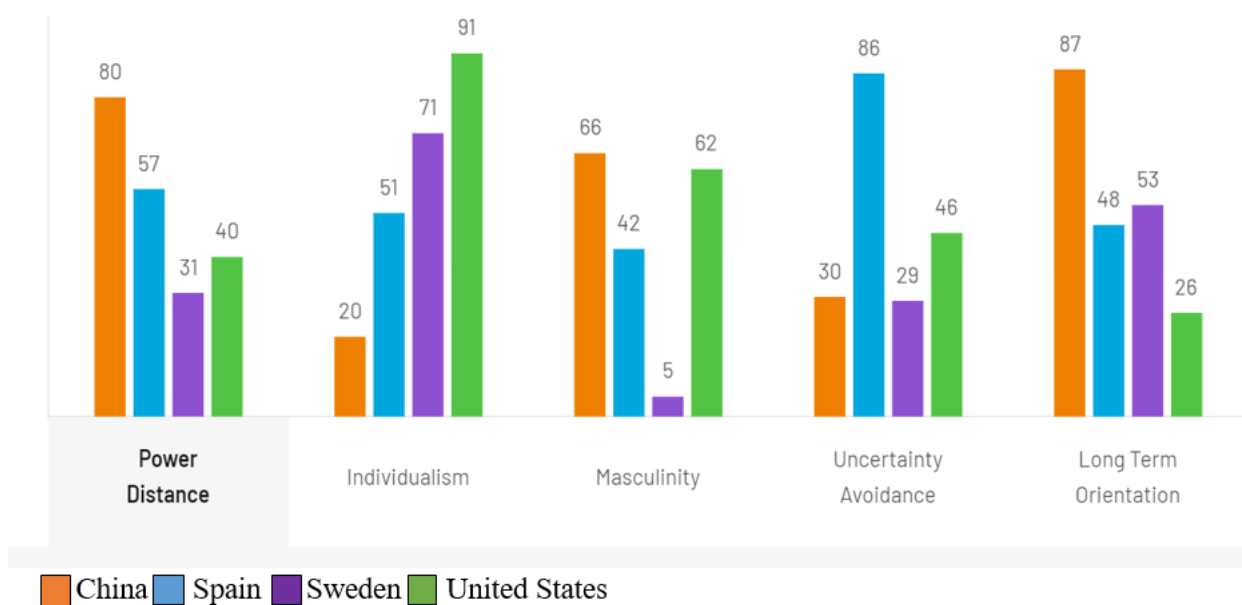
PICTURE 8. Country Comparison (Captured from Hofstede Insights online 2023)

According to chapter 2.2, Hofstede's five dimensions of culture, culture can be regarded as the values, beliefs, knowledge, behaviors, etc. that people share in a particular environment. Based on this, we can make a comparative analysis of Chinese and Western cultures.

As shown in Picture 8, first of all, the **power distance** which is used to reflect the extent to which a society accepts or rejects unequal power distribution, China scored 80, while Europe and America scored between 20 and 60. This indicates that Chinese culture is more accepting of the unequal distribution of power and has a greater power distance. In terms of **collectivism and individualism**, China's

score is higher than other European and American countries, indicating that Chinese culture places more emphasis on collectivism and interdependence, while European and American countries are relatively more focused on individualism and independence. As for **masculine society and feminized society**, although Hofstede does not provide specific score gaps between Europe and the US, it can be inferred that Western culture may be more neutral or male-biased in this regard. However, the scores surface in highly feminized countries, such as Sweden, where they believe that work is for living, rather than living is for working. They focus more on quality of life. Turning to the next, China also scored higher on **uncertainty avoidance**, suggesting that Chinese culture places more emphasis on security and stability and has a lower tolerance for uncertainty and risk. Lastly, the higher scores for China in terms of **long-term orientation and short-term orientation** suggest that Chinese culture is more focused on long-term planning and future development, whereas European countries may be more focused on current and short-term interests.

In summary, there are significant differences between Chinese and Western cultures in several aspects. These differences reflect people's perceptions and orientations towards values, codes of behavior, and social structures in different cultural contexts. Understanding these differences can help us better understand and respect different cultures and promote cross-cultural communication and cooperation. As a result, there are many differences in doing business between China and the West, including business cultural backgrounds, business habits, and business laws. To establish a good business relationship and reach common business goals, both parties need to fully understand each other's business culture, habits, and laws, and to communicate and understand each other continuously during the transaction process, to reach a long-term and stable economic cooperation relationship.

5.3 Conclusion

Overall, these results gave us a deeper understanding of how the cultural dimensions theory reflects the values of different countries. The cultural hierarchy of societies is like an onion (FIGURE 10). It is layers of depth and influence, and at the center of the onion are the cultural differences that result from different values. Many factors form such cultural differences, and Hofstede's (2001) theory can help people better understand the cultural differences between different countries so that they can break through the cultural barriers and cross the cultural barriers between countries to achieve the ultimate goal of intercultural communication. Of course, there are some deviations in these results, for example, all the respondents in this study are represented by the seller's side, that is to say, they are all Chinese.

So, there is some bias in the answers. Nevertheless, some of the respondents had studied in the United States, which means that the answers were combined with their experience of living in the United States. This means that the results will be more representative.
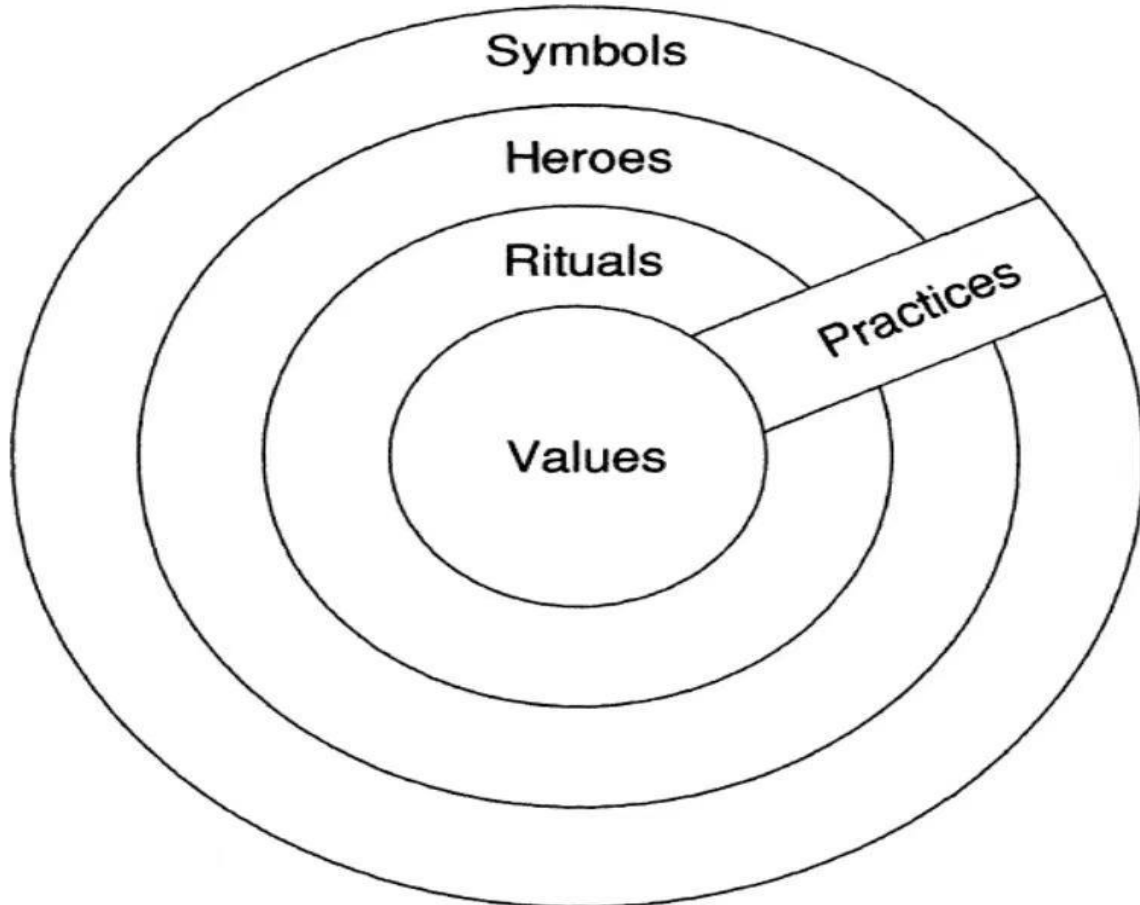
PICTURE 9. The "Onion Diagram": Manifestations of Culture at Different Levels of Depth (Hofstede 2001)

In conclusion, the data collected shows more clearly how these aspects of cultural differences such as language barriers, value differences, social norms, laws and policies, business practices, communication styles, and cultural misunderstandings all have an impact on multinational business. According to Stephen Cohen (Cohen 2002, 3), "negotiation is a process in which two or more parties work together to reach a mutually acceptable solution to one or more issues, such as a commercial transaction, contract or agreement of any kind." Therefore, understanding each other's culture is the key to victory, As Sun Tzu's (2009) saying goes, "Know yourself, know your enemy, and you will not be defeated in a hundred battles."

5.4 Suggestions to the Commissioner

This research aims to understand the importance of the cultural differences and challenges of the business culture in cross-cultural business. Putting the previous theories and research results together, I have summarized the following suggestions for the commissioner of this thesis.

Firstly, Build a diverse culture. Cultural differences are also one of the problems that enterprises will encounter in cross-cultural communication. Different cultural backgrounds and values may cause some misunderstandings and conflicts. Yaxin should establish a diversified culture, allowing different cultures, languages, values, and ideas to blend to improve the Cross-cultural sensitivity of employees. Enterprises need to understand and respect these differences, embody mutual understanding and tolerance in cultural exchanges attitudes, and actions, and effectively deal with problems in intercultural communication.

Secondly, establish an effective communication mechanism. When communicating across cultures, it is necessary to establish an effective communication mechanism. This can help companies avoid misunderstandings and conflicts caused by cultural differences. A good communication mechanism should be two-way, which can not only ensure the accuracy of information flow but also listen carefully to the opinions and suggestions of the other party. For example, in Eastern cultures, management styles may focus on respecting elders and emphasizing the collective good. In Western cultures, however, individualism and quick decision-making may be more welcome. Enterprises need to build bridges between different cultures to facilitate communication and cooperation.

Thirdly, put investment in training your staff. An organization's staff is a key component of a business organization. Employees at multinational companies come from a variety of backgrounds. They bring a wide range of skills and knowledge, but they also have a lot of expectations. Workers from different ethnic groups have different languages, which makes communication difficult (Kirkman & Rosen 1999). The commissioner described that they faced the biggest language barrier, the words spoken in one culture may have a different meaning in a different culture, which leads to different contexts of the expression during communication. The context in which these words are used has the power to vitiate or avoid problems. So, when enterprises conduct cross-cultural communication, they should strengthen their cross-cultural sensitivity and communication skills by training employees. Businesses can address this issue by providing cross-cultural training so that employees understand the importance of other cultures and become more sensitive and effective when dealing with cross-cultural communication.

And the last is to build glocalization. Management strategies for cross-cultural communication also need to establish glocalization, which can integrate corporate culture and values with local characteristics. This can help companies better adapt to the needs of different markets and provide better services.

In short, solving the problems in cross-cultural communication is the key to the successful overseas business development of enterprises.

> You will not succeed in global business today if you do not understand, appreciate, and know how to manage across cultures. (Solomon & Schell 2009, 7–8.)

To ensure the success and continuous development of Cross-cultural communication, enterprises need to adopt appropriate management strategies, respect and understand cultural differences, establish good communication relationships, and have more comprehensive consideration and arrangements in the management of diverse talents, to be globally market successful and competitive advantage.

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Appendix 1. Interview Questions

Interview Questions	Helping questions	Connect to Theory
How do you define "culture"?	Do you today have a sense of culture	The definition of Hofstede's Culture (Chapter 2.2)
What is the most significant cultural problem when communicating with your customers?	Any Cultural problem when communicating with USA customers and European customers?	Hofstede's IDV (Chapter 2.2.2)
Do you often work Overtime?	Do you reply to any emails in off-work time?	Hofstede's MAS, UAI (Chapter 2.2.3 and 2.2.4)
How do your customers respond when you first time offer them a dinner?	What about the food choices of different customers	Cultural challenges business first or building relationships first? (Chapters 2.4 and 2.2.5)
Who takes control when negotiating? Why?	Which part of you talks more in a meeting?	Hofstede's PD (Chapter 2.2.1)
Do you think Renqing, Mianzi, and Guanxi work with your customers?	How often do you contact your customer when there is no business going on at the moment?	The traditional personality of China, Mianzi Renqing Guanxi (Chapter 2.5 & 2.2.1)
What is the worst thing that happened in doing business in Cross-Culture?	What is the worst thing that happened during the time you are doing business with your customers?	The importance of knowing cultural differences in Cross-Cultural business (Chapter 2.3)
How do you do when you find there is an unsure question in the contract?	If you find a problem in the purchase order, do you ask the customer to make sure?	To avoid language and any misunderstanding caused by cultural differences (Chapter 2.4)

Appendix 2. Details of the Interviews

Date	Respondents	Answers
15/08/2023	Mr. Yu. Male, 44 years old.	1. Education, literacy, history, and human behaviour. 2. Language barriers, differences in spatial concepts. 3. Yes, I normally reply to emails when I see them despite the time difference. 4. The first reaction is to say no, and when we ask again, usually they say yes. It may be hard to resist our enthusiasm. But the food choice has already been difficult for me to decide as I'm not aware of what they like, and I have never been abroad. 5. It's usually the customers, who come first. 6. The customer's opinion varies based on the years of cooperation with us. Old customers often negotiate lower prices and engage in social interactions, while new customers focus on business and legal compliance in contracts. 7. Political issues. 10 containers are stuck in stock because of the USA and China's Trade war. 8. Yes, we must ask to make sure.
18/08/2023	Vivi. Female, 36 years old.	1. Culture refers to a country or nation's history, geography, customs, traditional customs, lifestyle, literature and art, code of conduct, way of thinking, values and so on. 2. They want the answer very quickly, and we need to discuss it with other departments. (Differences in spatial concepts) 3. Yes. I checked the email and reply to those that are urgently required. 4. Foreign customers initially refuse to invite them due to the different concept, but some accept meals. If you do not have so good English to explain the dishes, avoid special dishes as they can be time-consuming and uncomfortable for both you and the customers. 5. They are the buyers, so, we usually provide the answers to their requests. 6. The culture of Renqing, Mianzi, and Guanxi in China may not be suitable for foreign customers due to their differing thinking, understanding abilities, and values, as they are separate from public and private. 7. 3 years ago, due to a misunderstanding in communication, the customer returned 2 high containers of goods resulting in heavy losses for the company.

		So, cultural factors are a big matter in Cross-Cultural business. 8. I usually make a preview-production sample for the customer to confirm before we sign any contract. If any other problem after that, I also ask immediately.
21/08/2023	Ted. Male, 33 years old.	1. Culture is a habit, a behaviour, and an educational background. But business culture is one type of culture. The elements of business culture include employee behaviour, brand image, values, organizational culture, and corporate social responsibility. 2. Customers don't understand some words or behaviour due to different social etiquette. So, language barrier for me because I speak English not so well. So, I often spend more time on communication. 3. Not often, I usually leave it until I go to work, and I want to make sure what the customer ask for. 4. Customers' responses to dinner invitations can vary based on their preferences and backgrounds, and their food choices can be influenced by dietary and personal factors. It's crucial to be accommodating and offer a variety of options to cater to diverse needs. 5. If I had a question about the products, and I started the conversation, then I listened to their explanation. If they ask me first, then I will explain to them. In general, customers are usually the ones who take control because it's a seller's market, customers have too many options when it comes to decision-making. 6. Once a week, I think they know how to play Renqing, Mianzi, and Guanxi because when they bargain for a cheaper price, they often say I know your boss or preview salesman, they usually give me the best price and I know the price market in this line in China. 7. We have different judgments about the things we do, something we think is ok and customers don't, so, the worst thing is when we can't have a consensus. 8. Yes, for sure. Better to ask than make mistakes.
24/08/2023	Jerry. Male, 38 years old.	1. The term "culture" is a general one that refers to social behaviour, institutions, and norms present in human societies as well as the people that make up these groups as well as their knowledge, beliefs, and talents. Culture is frequently said to have originated in or been influenced by a particular area or place. 2. Yes, language usage is a major cultural issue. With American and European clients, some terms and

		phrases are used in various ways across countries.
		3. It depends, I reply immediately if it is an important email.
		4. They always thank my hospitality. About the food choices, they prefer what you offer, as they believe you offer the best for them.
		5. Both, to listen, to ask, to discover, as business is mutually, equal and win-win.
		6. Renqing, Guanxi, and Mianzi are not working at all with my customers. But I keep in touch twice a month with them.
		7. The worst thing that happened that was a customer came to our booth at the HK trade show, he complained about the poor quality of our products, after I checked, analyzed, and was very sure to tell that was nothing wrong with our product but the wrong operation. It's not good to talk about such things in a show.
		8. Yes, I must make sure.
28/08/2023	Jason. Male, 40 years old.	1. I never define "culture." But in my view, culture should be some common things from specified same regions. For instance, The Chinese like to drink tea and hot water, but Europeans like coffee and ice water.
		2. Language is a crucial aspect of culture, often leading to Cross-cultural conflicts. Although translating between languages is accurate, international business exchanges can fail due to language differences. Pragmatic failures occur when standard norms of one culture cannot be applied to another, causing failure in Cross-cultural communication.
		3. Depends. Almost all customers are happy to have the answers fastest when they have questions. That is your job. So, it is not "work overtime". But if considering normal things, I prefer to handle it highly effectively.
		4. Most of the time. It is positive. Because customers and I are always open if a schedule is available. Most of the customers are beginning to like Chinese cuisine and the same way around if we are in their culture.
		5. We try to not take any control during negotiating. Focus on the demands of each other and try to find a balance and then reach to win-win. Any way of taking control will be failed sooner or later.
		6. Yes sometimes, maybe. But it will never be a decisive factor. I just consider these after everything is dealt with. and try to enhance opportunities, but I don't care about these very well. Focus more on what customers want is more important. Normally,

		I try my best to meet customers twice per year. 7. Overdue payment, then losing. Especially the last few years due to the pandemic crisis. 8. To avoid the unsure thing occurring based on 200% efforts. But if it is from Purchasing order, I will ask customers to clarify.
31/08/2023	Jim. Male, 26 years old.	1. Culture can be defined as the beliefs, customs, arts, and social behaviours of a particular group or society. 2. Miscommunication between customers can be a significant cultural issue due to differences in language, gestures, and norms, particularly between the USA and European customers. It's crucial to be aware of these differences and adapt accordingly for effective communication. 3. Professionals in a work environment are normally always expected to answer customer emails outside of working hours and arrangements. 4. I have never asked since I have not yet gotten in contact with my customer in person. It was a pandemic crisis for the last few years. 5. In negotiations, the person who takes control can vary depending on the context and the specific individuals involved. It could be influenced by factors such as hierarchy, authority, or negotiation styles. 6. Yes, for sure. We are humans, humans have feelings. 7. Due to language difficulties, communication styles, and business etiquette, miscommunications and unintentional offenses in Cross-cultural business can harm relationships and obstruct good outcomes. 8. When encountering an unsure question in a contract, it is best to seek clarification or consult with legal professionals or experts. Contracts should be carefully reviewed, and any uncertainties should be addressed to ensure clarity and mutual understanding.