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# CULTURAL ADAPTATION IN B2B PERSONAL SELLING PROCESS

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# 1 INTRODUCTION

## 1.1 Background of the study

When expanding the operations abroad, the companies need to consider whether to continue with same processes abroad or should those processes be adapted more to meet the needs of the target market (Vrontis, Thrassou & Lamprinaou 2009). This is the fundamental question which has also caused great interest in two major concepts in international business, the globalization and the debate between standardisation versus adaptation in marketing (Viswanathan & Dickson 2007). These two concepts are strongly linked, since globalization has affected the internationalization of companies and hence brought up the question of whether to standardise or adapt operations (Chung 2007).

As Viswanathan & Dickson (2007) stated, there is no common interpretation to standardisation or how it is defined in the field of marketing. In this research the definition that they described will be used, meaning that standardisation means common practises in doing something, in this case personal selling. It can be on any level of action in the personal selling process. So when standardisation means common practises, adaptation is the polar opposite meaning differing practises. In short, similarities in customers and their wishes support the standardisation and differences in these aspects support the adaptation. Biggest reasons for the current phenomena of standardising rather than adapting are economies of scale and tax reductions (Seth & Parvatiyar 2001, Vrontis et al. 2009). Adaptation can happen in operations level, product level or in marketing communication level which is the focus of this study. Since the cultural differences seem to be the base for the adaptation decisions in marketing (Sharma 2016), those will be looked into as the explaining factor.

There are several definitions of culture, for example by Schwartz (2006) describing that culture is the set of rules, norms and contacts of a society and on a national level. These are embedded into people's minds and are hence underlying meaning that are not actively thought of (Schwartz 2006, Hofstede 1980). These are also the aspects that makes culture research difficult since are intangible and difficult to measure (Schwartz 2006). In this study the focus will be on culture in the national level, even though there are also sub-cultures within countries and some researchers have criticized national cultures as stereotypical (Schwartz 2006, Javidan, House, Dorfman, Hanges & De Luque 2006). National level is the focus, because it makes comparing countries simpler and more practical considering the scope of the master's thesis. The focus is on visible signs of culture, the habits and behaviour of people since those are the aspects most influencing the flow of personal selling process. No single framework for culture research is being used but there have been included aspects of the most popular ones from Schwartz (2006), Hofstede

(1980) and others who have studied the expressive nature of culture in international business. Like Hofstede, Schwartz also agrees that culture is fairly stable concept and that is why researchers are able to study those and make generalizations (Schwartz 2006). The change is slow (Schwartz 2006) and happens over a long period of time (Hofstede 1980) and that is why also marketers can use cultures when they are planning their long term strategy for example for personal selling.

This research will focus on analysing how the actual adaption is taken care of on a tactical level. The level is personal selling in business-to-business (B2B) field. Selling in B2B is defined as the exchange of products or services between two companies for commission (Bonoma & Johnston 1978), so instead of selling directly to the end user, company sells to another company. In B2B field, the relative importance of each buyer and each buy for the seller is big since there tend to be less buyers and one can be worth of a fortune (Bonoma & Johnston 1978). This together with seeking of equilibria in the market causes the two parties, buyer and seller, to be interdependent (Campbell 1985). Even though traditionally B2B selling has been categorized as rational, it is heavily influenced by social factors since it is very interactive and involves exchange of information. This requires trust and cooperation which typically happens on a personal level. (Bonoma & Johnston 1978). Trust and mutual interest often lead to long-term business relationships which characterize the field (Campbell 1985).

Personal selling is depending highly on relationships since it involves people interacting with each other which makes cultural viewpoint important when talking about international personal selling (Usunier & Lee 2013, 428). The importance grows in B2B field which is characterized with only few possible byers that creates the need for customer relationship management (Bonoma & Johnston 1978) and increases the importance of each interaction which are the base of the success of an international company (Javalgi, Hall & Cavusgil 2014). Maintaining a profitable relationship with the customer is a continuous project that consists of several interactions with the customer that need to be managed well in order for the relationship to grow (Chang, Wang, Chih & Tsai 2012). Most of these interactions are done in relation to personal selling, since sales people are the ones who have most frequent contacts with the customers (Javalgi et al. 2014).

Personal selling is the most important single tool of marketing communication in business-to-business field (Kotler & Keller 2012, 846) which makes it logical to analyse that aspect in the context of business-to-business companies. Personal selling is probably most clearly influenced by the cultural differences. This is because culture affects the meanings of symbolic things and these meanings hence differ from country to country (Usunier & Lee 2013, 266-267). Also communication relies heavily on language which makes it one of the most culture bound element of marketing (Usunier & Lee 2013, 372). The success of the sales person in international negotiations is based on his/her ability to read the buyer's personal characteristics and modify their own actions accordingly. These characteristics include for example perceptions and attitudes. The adaptation can only be done if the buyer's culture is known and understood. (Bachkirov, Rajasekar & da Silva 2016). So knowledge about cultures and cultural differences is important in order to adapt correctly and succeed in personal selling.

## 1.2 Purpose of the study

Researchers have found out that in B2B field and especially industrial selling the products are more homogenous, which would indicate that not that much adaptation would seem to be needed (Chung 2007). But in context of personal selling, Malik and Naeem (2010) stated, interpersonal skills are of high importance for sales people meaning listening and understanding and modifying one's own behaviour. So different researchers have different opinions about how and why personal selling should be adapted which creates an interesting base for this study. The external environment of sales people has been left without wider research since the focus has been on the organizational level and individual sales person's skills (Sohi 1996).

The reason why personal selling and B2B field was chosen as the target for this research is that most of the adaptation versus standardisation debate related research has either focused on advertising and consumer preferences (e.g. Foscht, Maloles, Swoboda, Morschett & Sinha 2008, Jiang & Wei 2012) or considered the adaptation of product features or the complete marketing mix (Chung 2007). Due to the main focus being on the consumer side and not the B2B side, there is need for research on that as well. Also Sharma (2016) pointed out that there is a lack of international personal selling studies since currently most are conducted in the US. As most researchers have previously focused on the product features and major decisions that are related to the complete marketing strategy, the more tactical approach was chosen. Knowing that personal selling is done on one-to-one basis, it must be exposed to cultural differences.

Even though there are major practical advances that this study reaches, the nature is more to describe the phenomenon in an empirical manner. The descriptive nature was seen as necessary one, due to the research gap that was noticed when reading the previous research. Most of the previous research in standardisation versus adaptation has seek to find out which option is better without finding a general answer. Taking this into account, this research focuses on finding out when the adaptation is necessary and how it is then performed. In the field of personal selling research, also the effectiveness of the process has typically been the research topic and with that the personal abilities and skills of the sales person (Malik & Naeem 2010) rather than describing outer forces. There have been studies about intercultural business negotiation (e.g. Bachkirov et al. 2016, Wilkeln, Jacob & Prime 2013), but the other steps of the process have been left without attention.

The purpose of this research is to find out how the cultural adaptation is done in personal selling process in a tactical level. This is done by analysing the following sub-research questions first

- What kind of cultural differences do the sales people take into account?
- How is the sales process affected by cultural differences?
- How can personal selling be adapted?

The scope of the research was limited to B2B field because there the personal selling has high importance and is most commonly used in marketing communication. No other marketing communication activities will be looked into since personal selling covers most of the activities used in B2B and also it is highly affected by communication and hence cultural differences. This research focuses on the general cultural adaptation, no specific cultural framework was chosen in order not to limit the thinking to a certain researcher's way of thinking about cultural differences.

The theoretical part will begin with analysis of the previous research related to personal selling. The personal selling process and its steps will be given the most attention in this part. The second theoretical chapter will first present the theoretical framework that was created on the basis of the existing cultural research. The chapter will then continue in more detail to each part of the framework. After the theoretical part of this research, the methodology part will be presented together with information about the interviewees selected and the interviews conducted. Likewise reliability of this research will be analysed in this chapter. In chapter number 5 after the methodology, the results that were gathered are presented in the form of discussion so the chapter focuses fully on analysing the data gathered and presents the data with examples and statements extracted from the interviews. In the end there will be the conclusion, limitations of this study and suggestions for future research in chapter number 6 and a summary of the research in chapter number 7.

# 2 PERSONAL SELLING AS A MARKETING COMMUNICATIONS TOOL

Personal selling itself does differ between B2B field and B2C field since the negotiations have different features (Backhirov et al. 2016). This chapter is divided into personal selling as a marketing activity and the personal selling process. This way the reader will understand the context from the marketing point of view. The next chapter, chapter 3 will bring in the cultural research viewpoint in relation to personal selling and hence these two theoretical chapters set the base for the study.

## 2.1 Personal selling as a marketing activity

Kotler and Keller (2012, 778) define personal selling as 'face-to-face interaction with one or more prospective purchasers for the purpose of making presentations, answering questions and procuring orders. Personal selling is done by sales people, who have many different roles besides merely selling products or services; they can deliver the product to the customer, receive the order from the customer, educate a potential customer about the product, present technical knowledge about the product, create demand and solve problems (Kotler & Keller 2012, 847). This chapter will focus on the characteristics of personal selling, first in general and after that through the personal selling process.

Personal channels in marketing communication are better for those people who want to interact with the company when making the buying decision. These channels are likewise good for the company as well since the company can change the communication according to the individual needs of the customer. These kind of personal channels are typically used when buying something expensive, there is a risk involved, the item is purchased infrequently or the item says something about the user's taste. (Kotler & Keller 2012, 789-793, 846). Personal touch in business is seen to reduce the uncertainties related to buying, especially in complex buying situations (Usunier & Lee 2013, 435). These aspects also demonstrate why personal selling in B2B context is so popular, considering that the deals are larger (Bonoma & Johnston 1978) and hence more infrequent and involve a greater risk.

As in marketing overall, also in international business the shift has moved from enlarging the market share at all cost towards customer relationship management which means that each customer is treated individually and the aim is to get the most benefit from one customer account by tracking the customer's situation and personalizing the communication (Usunier & Lee 2013, 429). Especially in B2B field the companies aim for long-term customer relationships (Hite & Bellizzi 1985, Campbell 1985). Since the shift is towards relationships, companies need to focus more on their customers. Sales people are typically the ones forming the relationship through the personal selling process (Javalgi et al. 2014).

Downsides in personal selling are that it is expensive and more complex but the benefit is that it can be adjusted to customer needs and it requires a response from the customer (Kotler & Keller 2012, 798-799) so at very least it is a way to collect feedback. The complexity stems from heavy reliance on individual behaviour, since personal selling is typically formed as a dialog between two or more people. Likewise the skills of an individual sales person affect the process. Sales people should be well aware of the customer's situation and their wants and needs. Together with that, sales people should have excellent knowledge about the products and services that the company can offer so they are able to offer a solution to the customer's problem and give feedback to both directions. Not all sales people are solution sellers since their strategies and motivations do differ and also culture affects the selling styles. (Usunier & Lee 2013, 428, 431, 437).

Personal selling in B2B context is affected by a number of factors. Most important ones are bargaining, trust and relationships which affect the buying behaviour, communication in bargaining situations and influence tactics. (Bachkirov et al. 2016). All of these factors are related to the personal nature of this communications channel as well as the fact that most organisational buying processes are related to big investments which companies want to consider carefully. Selling companies should be aware of the buying process of the potential customer, their organizational actors, expectations and variables that influence the decision making process (Bachkirov et al. 2016).

Effective sales people are trained to analyse and manage the customer relationship and not just sell based on an instinct. The know how to use different types of questions in order to find out what is the customer's present situation, are there any problems or dissatisfactions, how these affect their business and also to evaluate the solution that the company is offering. This set of question helps to build a long-term relationship with the customer. (Kotler & Keller 2012, 851).

## 2.2 Personal selling process

Personal selling process is described by different terms that have almost the same meaning, for example value added selling and professional selling. (Malik & Naeem 2010). The process is affected by both the seller and the customer (Spiro, Perreault & Reynolds 1977), but in this research the focus in on the seller's side. Even though Bonoma and Johnston (1978) stated that B2B buying and selling cannot be studied in isolation since they are interconnected, in this research the focus is only on the part of the seller. The process has also either six or seven steps depending on the author. Moncrief and Marshall

(2005) stated that some processes include follow up step and others not, other major difference is whether presenting the offering is divided into two steps or not. In this research the modified personal selling process defined originally by Dubinsky (1980) and later used by for example Hite and Bellizzi (1985) and Jaramillo and Marshall (2004) is used. These similar steps were also described by Usunier and Lee (2013, 437). The process is described in the figure 1 below.

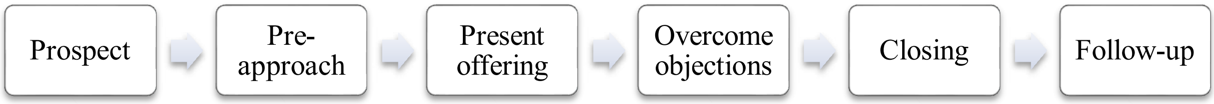


Figure 1 Personal selling process

The personal selling process describes the most basic tasks of a sales person, each step including variety of tactics and techniques the sales person can vary (Dwyer, Hill & Martin 2000). Globalisation and technological development have changed the work but the underlying tasks have still remained the same and can be described with this process. Personal selling is developing all the time and becoming more complex which makes this basic process not fully applicable to all sales organizations. (Moncrief & Marshall 2005). Moncrief and Marshall (2005) proposed some developments to the basic process which are taken into consideration in this research.

### *2.2.1 Prospecting and pre-approach*

First step is to prospect, meaning that the sales people need to find out the potential customers who have the need, want, ability and eligibility to buy the product or service at hand (Hite & Bellizzi 1985). This is done in order to increase the customer base. There are different tactics into prospecting, such as networking (Moncrief & Marshall 2005). Hite and Bellizzi (1985) in their study of B2B versus business-to-consumer sellers found out that in B2B cold calls and examination of existing records was seen as more important techniques, possibly because organizations have more easily access to such records. Most important on the other hand was to answer inquiries coming from the customers since these customers are then already interested and more willing to buy. Jaramillo and Marshall 2004) in their study found that taking part of seminars and trade shows was seen to express group membership in the prospecting step. Other possible techniques in this step are using referrals and personal observation (Jaramillo & Marshall 2004).

The step includes also screening of these prospective customers in order to determine their value potential. Nowadays this step is more and more performed by someone else in the organisation than sales people. The company might hire telemarketers or other actors to get leads that are then passed on to sales people. This is done in order to save the sales force's time for merely selling due to its high cost. (Moncrief & Marshall 2005). This step is hence preparing to find customers and not yet interacting with them. Moncrief and Marshall (2005) have named the step as customer retention and deletion in their evolved process. This is because nowadays customer relationship management is widely appreciated so companies put more effort into maintaining their current customer relationships than finding new ones. Also deleting unprofitable customers is part of the sales people's work.

Second step in the process is to make a pre-approach, when the sales people gather information about the prospective company, their wants and needs as well as the people who make decisions (Moncrief & Marshall 2005). The pre-approach step includes a lot of focused information gathering before actually meeting the customer, which is important later on since knowledgeable sales person can more easily overcome possible objections (DeSimone 2004). The information can be gathered directly asking from the customer, using secondary sources that are already existing or asking from common contacts (Jaramillo & Marshall 2004). Nowadays the information gathering happens mostly in-house compared to calling elsewhere like sales people used to do (Moncrief & Marshall 2005). Overall it is nowadays fairly easy with access to internet and also the customer relationship management systems of the company which show the customer's buying history (Malik & Naeem 2010). In this stage the sales people typically make the decision of how to adapt their selling tactics and base the decision on a rule of thumb (Malik & Naeem 2010) which makes the step sort of a planning stage for future interactions (Hite & Bellizzi 1985).

### *2.2.2 Present offering and overcoming objections*

The third step can be either called presenting the offering or approach, depending on the process description. In this study we use only one step to describe the first proper contact with the customer (Arndt et al. 2014) together with presenting the offering of the company. Approach is typically defined as the first minutes of the negotiations before presenting the offering (Moncrief & Marshall 2005) or the first contact either over the phone or a personal visit which is usually the most important technique in B2B selling (Hite &

Bellizzi 1985). For these reasons the two steps belong strongly together and are considered as one in this thesis. This step happens after the preparing measures have been taken in the company (Kotler & Keller 2012, 851-852). The third step is when the company starts to build credibility either by expressing that they are trustworthy or by expressing their professional expertise. These statements are crucial since without credibility the process will not continue. (Arndt et al. 2014). The first minutes of the negotiation are the most important ones since they set the tone for the later discussion (DeSimone 2004). The possible tactics are complementing the customer, telling about the selling company or the product, even opening with a shocking comment (Jaramillo & Marshall 2004) or expressing curiosity or products benefits early on (Hite & Bellizzi 1985). The comment about the selling company can also include a reference person if there is one and this tactic typically presents collective values (Jaramillo & Marshall 2004). Reference though are not that typical in B2B especially when the referral is operating on the same industry which makes this technique not as important. Also asking a lot of questions early on might not succeed since customers might be reluctant to reveal information about their companies (Hite & Bellizzi 1985).

The actual structuring of the step depends on whether the customer is completely new or have they bought before. In a new buy situation, the traditional steps are followed and credibility emphasized, but if the buying company is an existing customer, credibility does not play as big of a role but more focus is put on relationship management and problem solving. (Moncrief & Marshall 2005). Personal selling happens typically through sales presentations, sales meeting, incentive programmes, samples, fairs and trade shows (Kotler & Keller 2012, 778). This means that personal selling can have many different forms and it can be done in several different places. In B2B field selling most commonly happens through negotiations since both parties have equal amount of power and are dependent on each other (Bonoma & Johnston 1978).

When presenting the offering there can be multiple goals that the company wants to achieve simultaneously or they can differ between situations. Most visible difference is whether the company is using transaction based tactic or relationship based one. The presentation can happen either during one sales meeting or several ones might be required. (Moncrief & Marshall 2005). The step includes the actual persuasive message from the selling company in attempt to cause a positive response in the customer (Hite & Bellizzi 1985). This can happen through various techniques such as asking questions, visualizing the offering, using comparisons to existing solutions or competitors or using dramatic expressions (Jaramillo & Marshall 2004). In more precise manner, the seller can try to use product-benefit or need-benefit tactic (Jaramillo & Marshall 2004). One elevation of this is to use physical characteristics, advantages, economic, technical, social and service benefits that their offering can give as well as the final value for the customer. This is called the FABV-approach, meaning physical attributes, advantages, benefits and value. (Kotler & Keller 2012, 851-852). This step typically requires the most adaptation to specific customer needs (Hite & Bellizzi 1985), but some sellers also use a standardised presentation (Jaramillo & Marshall 2004). Nowadays the focus is more towards highlighting the value for the customer instead of mere physical attributes that the product or service has (Moncrief & Marshall 2005).

After presenting the offering, there might be some objections from the customer's side which sales people need to overcome (Kotler & Keller 2012, 851-852). These happens almost always as clarifying questions or hesitance from the customer's side. The objections are of high importance since they reveal information about the customer and his/her needs, even though nowadays when the companies can gather a lot more information beforehand, the amount of severe objections has been reduced. (Moncrief & Marshall 2005). They can also be seen as a sign of interest from the customer's side even though they are not yet sure (Hite & Bellizzi 1985). The objections are either psychological resistance meaning preference for other brand or previous supplier or logical resistance meaning that the physical characteristics offered are not satisfying. Those can be the prize, delivery time or the solution itself for example. (Kotler & Keller 2012, 851-852).

What is more important than these objections is the manner how they are dealt with (Bonoma & Johnston 1978). The objections should be analysed and correctly adjusted in order to overcome those and proceed with the selling process. (Hite & Bellizzi 1985). Possible tactics are to answer them directly, avoid them, delaying the response for them, disputing, minimising or passively acknowledge their existence or offering comparison to another existing solution. They can also be turned around into a reason for buying. (Jaramillo & Marshall 2004). Best ways to overcome objections are to do that directly rather than leave the objections unacknowledged or pass them as a minor thing. In B2B trial use is often used as a technique to overcome hesitations or objections. (Hite & Bellizzi 1985).

### *2.2.3 Closing and follow-up*

If the seller is successful, then they can move on to step 5 which is closing. Closing means the physical actions towards making the deal. Sales person can lead by asking for minor preferences such as colour choice, assist in writing down the order, asking directly if the customer is willing to buy, using silence and letting the customer to decide or by offering a special deal such as price reduction. Sales people can also use references to existing customers or make competitive comparisons which typically are tactics expressing group membership and collectivistic values (Jaramillo & Marshall 2004). The closing hence seals the deal and the customer either buys the product or signs the agreement (Hite & Bellizzi 1985). Nowadays since the focus is more on customer relationship management, the shift has moved from closing a one single deal to maintaining the overall satisfaction of the customer. Also as the sales person is seen more as a consultant who helps the customer and works together with them, no closing techniques should be needed. The deal closes when the customer's problem is solved. (Moncrief & Marshall 2005).

Once the deal is closed and the customer agrees to buy, the final step is to follow-up in order to make sure that the customer remains satisfied and the customer account keeps on growing with the customer coming back to buy again (Kotler & Keller 2012, 851-852, Hite & Bellizzi 1985). Especially customer oriented sellers put a lot of effort to this step of the process (Gonzalez, Hoffman, Ingram & LaForge 2010). This includes variety of actions, such as delivering the product and asking for feedback (Moncrief & Marshall 2005), but also includes dealing with complaints, explaining billing or other policies of the selling company, periodic follow-up of the customer, reassuring them or sending thank-you notes (Jaramillo & Marshall 2004). All of these were seen as important in the study of Hite and Marshall (1985) but surprisingly handling complaints was the least important. On the other hand in collectivistic cultures checking periodically with the customer was seen as the most effective (Jaramillo & Marshall 2004).

Nowadays e-mail is the easiest and cheapest tool for doing follow-up since it does not require much of the sales person's time. This step has remained the same throughout the decades, only its efficiency has increased with the modern technology. (Moncrief & Marshall 2005). This concludes the personal selling process and its steps, next chapter will focus on cultural differences within the personal selling process by combining previous cultural research and elements of those.

# 3 CULTURAL DIFFERENCES AFFECTING ADAPTATION IN PERSONAL SELLING

Marketing communications should be adapted even though the political and legal matters do not differ significantly between home and host country. Especially in a case where the economic development is lower in the target country, adaptation should be done. Likewise, culture is seen as the biggest influencer on adapting marketing communications, especially in cases where the company has a large home economy since those companies should adapt even more. Competitive situation and international experience of the company are not significant factors in the adaptations decision. (Chung 2007).

## 3.1 Cultural differences in time conceptions

Concept of time in relation to cultural differences is a concept originally created by Hall (1976) and later modified and improved by several researchers such as Dahl (1995), Adams and van Eerde (2012) and Roche Carcel (2012). The common understanding of these research is that culture causes differences in how time is understood and that typically time can be divided to three different concepts; linear, cyclical and event related. In personal selling process for the information to flow smoothly, there needs to be a common understanding about the concept of time (Simintiras & Thomas 1998). *Linear time* is typical in western cultures, such as Northern America, Northern Europe and Ango-Saxon countries (Adams & van Eerde 2012), where time is considered as a measurable unit than can be planned to the future but that passes without anyone paying attention to it (Dahl 1995). One possible explanation for this kind of concept is that the idea stems from the bible and the linear nature of time separates us from the God and his time which is non-existent. Also our life is a limited one, including a process which has a goal that is getting to heaven. (Roche Carcel 2012). This tendency is further emphasized in the future orientation of this time, which means that people in this culture aim to fulfill a goal. At the same time, time becomes a scarce resource that needs to be managed. (Dahl 1995). Linear time can also be called monochromic because it involves typically doing one thing at a time before moving on to the next (Adams & van Eerde 2012). Nowadays in the industrial world this time tendency is more common, because it is deadline oriented and makes planning easier (Dahl 1995).

The contrary concept of time to the linear one is *cyclical*. It means that time is not a resource that we can ran out of but rather it keeps repeating itself (Dahl 1995). This can be seen in the lunar cycle for example (Dahl 1995) and relates strongly to history and agriculture (Roche Carcel 2012). People are in this case more past oriented since the history seems to repeat itself. There is also high appreciation for rituals. (Dahl 1995). In addition in cyclical time concept several things can be done at the same time, which makes the time polychromic. In practice it means that there is less planning or the planning can happen during a meeting for example. Likewise deadlines are not as important and delays are common, which is not due to disrespect but rather to flexibility which is appreciated in this concept of time. Still more effort is put to punctuality when dealing with other cultures, especially if they are seen as wealthier. Examples of cyclical time concept cultures are Southern European countries and Asian countries. (Adams & van Eerde 2012). The third concept of time is called *event related time*. In this concept time is considered to be more subjective term which cannot be measured or planned. Things tend to happen without planning or schedules because time is seen as too abstract for those. Also time is only passing is case something is happening so by doing nothing, one cannot waste time because it does not exist. This concept is very present oriented. (Dahl 1995).

In the scene of personal selling, time affects how much time people are willing to spend on negotiations, how quickly decisions need to be made and also how many meetings are needed. For example Russians expect answers fairly quickly to their questions of even offers and that is something that companies selling to Russia need to be aware of (Weck & Ivanova 2013, Ivanova & Torkkeli 2013). Also the overall speed of the personal selling process is affected by the sense of time. For example in India slowly proceeding process is seen to increase mutual trust but in others, for example Western countries, time is of the essence (Uzo & Adigwe 2016).

Hofstede added in 1991 the dimension of *long-term vs short-term orientation* to his research. This dimension describes the culture's planning scope, whether the focus is in the present or more in the future. So the later added fifth dimension is about how people perceive time and planning. Long-term oriented people are more willing to sacrifice something now in order to be better off in the future and also make plans for longer period of time when short-term oriented people tend to focus on what is now and live their lives day by day. For example all of the Nordic countries are more short-term oriented than long-term oriented.  (Hofstede 1991). This dimension affects for example the scope of business plans, whether those are made for a quarter, a year or for example 10 years and also the length of contracts with business partners.

Overall the sense of time affects the speed of the personal selling process, the amount of things that can be done at the same time, the planning and scope of planning of either one meeting or overall the operations and future steps. Besides it affects the length of the contracts that can be made as a result of a sale.

## 3.2 Communication habits in personal selling

Hall (1976) defined two cultural groups when it comes to communication, *high-context and low-context ones*. These groups have later been developed by other researchers adding to the original research of Hall. Low-context culture means that the communication is direct with clear meanings (Adair & Brett 2005) and involves a need to express also background information to the other party (Chaisrakeo & Speece 2004). In personal selling process low-context cultures tend to express more information throughout the process (Uzo & Adigwe 2016). On the contrary, in high-context cultures communication is more indirect with hidden meanings (Adair & Brett 2005) and a lot of non-verbal communication (Chaisrakeo & Speece 2004, Simintiras & Thomas 1998). Typical high-context countries are Latin American countries, Asian countries, Middle Eastern countries and Southern European countries (Simintiras & Thomas 1998). In the research of Adair and Brett (2005) it was discovered that people from high-context cultures are more able to change their communication styles and adapt compared to low-context cultures whose people feel uncomfortable when discussing with others from high-context cultures.

The effect of cultural differences is most clearly seen in language used. In some countries foreign accent of the sales person can automatically cause the buyer to think that the sales person is not capable. Overall the amount of languages in the world causes problems, because not all meanings are equally translatable. (Simintiras & Thomas 1998). In some cases being the foreign company can have an exotic appeal but in others consumers might prefer the national service provider. In that case positioning oneself as foreign can damage the company's image. Same thing applies to the language selection in personal selling and formation of contracts, the use of English can be seen as cosmopolitan or it can cause confusion (Zeithaml & Bitner 2003, 380). Also the amount of communication and who says what is varying between cultures. The dependence of interpersonal relationships versus official records as information sources affects the amount of the communication in the process. In case there are no official records available or these cannot be trusted, a lot more information has to be obtained from the buyer. (Ivanova & Torkkeli 2013). But for example in Japan it is common that the buyer takes the lead of the process by asking questions (Simintiras & Thomas 1998). What is not said in the process is also important to notice (Chaisrakeo & Speece 2004), since it is part of the communication and building trust. Communication is the key element in trust building and vice versa, since some cultures want to verify the information obtained which can happen through testing product samples or having a trial use before agreeing to by (Ivanova & Torkkeli 2013).

Most communication involves several parties and different hierarchies among people and this concepts defines those social standards for each culture. It also defines how people should be presented in the communication and how they should act in relation to others. For example greeting habits, group hierarchies and formality between business acquaintances is affected by the concept of self and others. In Arab Gulf region, the subordinates are expected to cherish their boss's wishes and even know them so well that they can anticipate certain decisions (Bachkirov et al. 2016). The second dimension of Schwartz's research (2006) is *egalitarianism vs hierarchy* which describes the source of people's moral and considering for others. In egalitarian society this stems from the people and groups themselves and in hierarchical society is comes from above with clear rules and scales. (Schwartz 2006) This is closely related to human nature and how people are and also how the atmosphere is in the society. These dimensions also affect the two different communication possibilities that the sales people have, the task-oriented and non-task-oriented. Task-oriented communication is purely connected to the personal selling process and its steps whereas non-task oriented communication involves getting to know the other person. Typically the latter happens first. (Simintiras & Thomas 1998).

Hofstede (1980) calls the dimension that measures the hierarchical level of the society, *the power distance*. In high power distance cultures people know their place in the hierarchy, act formally and accept the unequal distribution of power in the society. In low power distance cultures, people are more unformal in communication and for example in workplaces they can use first name bases with their higher managers. Asian countries tend to be very high on this dimension. (Hofstede 1980). In emerging economies and less developed countries the power distance is typically greater which affects the amount of questions that the sales person can ask (Sharma 2016) and also what kind of questions since people from different status cannot have equal power (Simintiras & Thomas 1998). When both parties have high status, they show this shared respect in the communication but on the other hand if a seller from low-context country with lower status expects equilibria, the sales process might stop there since the importance of status is greater for high-context cultures, in this case the culture of the buyer (Simintiras & Thomas 1998). Hofstede's dimensions likewise affect what is communicated, in high power distance countries status should be expressed, in individualistic countries the process should remain curious for the byer and in high uncertainty avoidant countries the seller should alleviate the risk for the buyer (Jones & McClearly 2004)

Culture affects also other parts of the business negotiations, such as the form of the negotiations and form of the agreements, whether they are verbal or written (Simintiras & Thomas 1998). In some countries, for example Russia, conducting face-to-face negotiations works better than e-mail or phone (Weck & Ivanova 2013). Hofstede's (1980) fourth dimension measures the ability people have to adapt to uncertain times, called *uncertainty avoidance*. High-uncertainty avoidance cultures usually have stiff rules because people want to control the unknown. Everything is also background checked before making decisions. Low uncertainty avoidance on the other hand stands for more tolerance for the unknown and ambiguity. The Nordic countries seem to be in the middle of high and low uncertainty avoidance and cannot be categorized directly to either end of the continuum. (Hofstede 1980).

Cultures have a big influence on people's willingness to complain (Usunier & Lee 2013, 430). It can be related to the valued communication method since in cultures where indirect communication is used, complaints are hardly ever expressed (Bachkirov et al. 2016). Culture can also affect the believed outcome of the complaint, meaning what is expected to happen after the complaint has been expressed, the perception of the cost and trouble that is created, and the perception of the counterpart's responsibility over the subject matter. Also in some cultures complaints are seen to create common good and in others it is not at all appropriate to complain. For example in Asian countries people hardly ever complain to the seller but rather engage in negative word-of-mouth to their closest friends and family. (Usunier & Lee 2013, 430-431).

To sum up culture has a strong effect on communication, the amount of it, the style of it whether it is direct or indirect and the formality. Likewise more visible aspects such as use of language and formation of contracts are affected by culture. Complaining is also part of communication and an important part of personal selling process, especially in the later steps and has cultural influences.

## 3.3 People as a group in business

The most common cultural research about how people behave in a group is the individualism dimension by Hofstede. *Individualism* describes the way people see themselves in a culture in relation to others. In individualistic countries, people focus more on themselves and strive for independence but in collectivistic cultures people feel more closely that they belong to a group, value others' opinions more and are more willing to take care of others. The Nordic countries and USA can be seen as very individualistic countries for example. *Masculinity vs femininity* dimension on the other hand describes the culture's hard vs soft values and also affect the formation of groups and roles in business. In masculine cultures, people are more focused on success and material wealth whereas feminine cultures value more free-time, quality of life and modesty. All of the Nordic countries are quite highly feminine cultures according to Hofstede and in comparison the Arabic countries are very masculine. (Hofstede 1980)

First of Schwartz's (2006) dimensions affects group formation is *autonomy vs embeddedness* which describes whether people are more focused on their own doing and conducting their own thoughts or whether they feel more that they are part of the crowd and put focus on the values of the group and social relations. The most important values of an autonomous culture are creativity, excitement and pleasure and the ones of embedded culture are traditions, wisdom, order and obedience. This dimension is quite strongly related to Hofstede's (1980) dimension of individualism vs collectivism since the base thought is whether people feel like they themselves are more important or whether the group is more important.

Usunier and Lee (2013, 31-35) defined a concept linked to group formation to be the *concept of space.* It stands for how people are categorized, is it according to who they are or what they do, what are their rights and responsibilities towards members of a group and what the control of physical space is. (Usunier & Lee 2013, 31-35). In relation to the concept are the terms of personalization and depersonalization which describe how people and groups are defined in a culture. Personalization means that who you are defines what you do, for example by using the demographic segmentation (Kotler & Keller 2012, 375) which means age, gender, cultural background and religion. Depersonalization on the other hand means that your background does not define you, but rather your skills and abilities do (Usunier & Lee 2013, 31-35). This concept affects the allocation of tasks inside the group or in other words who is responsible for doing what. Also it can affect the way people perceive others, whether they judge the past mistakes of a company or a sales person or do they focus on how the people are rather than what they have done.

It is also worth to mention the possible group activities in the buying organization since the seller should adapt to these. There are several organizational actors involved who all have different goals in the process due to their background, perceptions, information sources, past purchases, individual and relationship factors as well as environmental factors. (Webster & Wind 1972). Even though organizational buying is typically referred to as rational, these individual factors affect the actors on a personal level which can create surprising reactions in the negotiation processes. Webster and Wind (1972) divide the actors into 5 categories; users, buyers, deciders, influencers and gatekeepers, all of which have an important role in the process and hence need to be recognized and treated differently by the selling company. Users are the people who will eventually use the bought product or a service in their processes, but they are not necessarily the ones who have the authority to make decisions. Byers are the ones who have the formality to accept or decline an offer and deciders are the ones who can choose between alternatives since people to tend to listen to them in the organization. Then there are influencers who can affect the process or decision either directly or indirectly by providing information and different opinions. These people might not be visible for the selling company. Finally, gatekeepers are the ones who control the flow of information both inside and between the organizations. (Webster & Wind 1972). The selling company needs to recognize these actors in order to know whose preferences count in the final decision making process and who actually has the decision making power. There is also difference in how much power do the subordinates have and whether they should always consult their manager (Bachkirov et al. 2016).

So culture does have an effect on whether group activities are pursued strongly or not and how these groups are performed. Also the group that is formed in the buying organization should be noticed because sellers should adapt to those roles. Besides the formation of the group, culture also has an effect on how the tasks are divided in a group, for example individualism supports that each member has their own task whereas collectivism enhances cooperation (Mintu-Wilmsatt & Gassenheimer 1996).

## 3.4 Adaptation of tactics in personal selling

A highly adaptive seller would require a range of different tactics so that he/she has one available for each possible situation. Some specific tactics are information exchange, recommendation, threat, promise and inspirational appeal. (Bachkirov et al. 2016). These are all related to the position of the sales person, whether they are more customer oriented and willing to solve the customer's problem or whether they aim to sell. For customers who wish that the sales person would solve their problem, time is typically not an issue (Bachkirov et al. 2016).

Culture affects the values that are appreciated in the country and the different appeals (Tian & Borges 2011) that are usually used in the personal selling process with these tactics. The appeals are for example naturalness, effectiveness and family (Tian & Borges 2011). There are differences between cultures about what kind of tactics are valued. The different kind of tactics can be categorized with many forms, but here some are presented in relation to the cultural values. One aspect is the modesty versus confidence, since in Asia the seller should not be aggressive but rather act as a follower and be modest because of the culture where people fear of losing their face. Contradictory to that in macho cultures such as Italy the sales person needs to be overly confident in order to be taken seriously. The most important factor does also differ, in Mexico it is the prize and in Venezuela the quality so sales people should base their arguments on these aspects. Finally also the level of details is varying and for example Swiss typically take each word precisely so accuracy and precision is needed there. (Usunier & Lee 2013, 437). One possible dimension affecting these differences in tactics and values could be the third dimension by Schwartz (2006) called *harmony vs mastery.* It describes people's relation to the nature and existing social systems. In harmonious societies people adapt according to the existing systems and in mastery societies people aim to control the surrounding environment and shape it according to their own wishes (Schwartz 2006).

Traditionally sales tactics have been divided to task-oriented and relationship oriented, which will be discussed more in the next chapter. In this part the focus is on more detailed tactics and other than relationship building which due to its popularity has its own chapter later. Malik and Naeem (2010) found out two other tactics that are more common nowadays than the traditional division between hard and soft or task oriented and relationship oriented. These two are expressive influence tactics and receptive influence tactics. In the first one, sales person aims to highlight the excellence of the product, making special offerings to the customer and trying to change their mind. This can be done through telling the customer their needs, offer references from previous cases, offer incentives in the presentation of the offering and describe and amazing future for the customer. These tactics work best for uncertain or unknowledgeable customers. (Malik & Naeem 2010). It can also be called instrumental strategy since the idea is to change the customer's mind (Simintiras & Thomas 1998).

Receptive tactics are less aggressive. There is no real goal determined, sales person is there to help the customer and provide honest information and gain information by asking open questions. These tactics are the best for obtaining information about the customer or their problem. (Malik & Naeem 2010, Simintiras & Thomas 1998). According to Malik and Naeem (2010) the latter tactics are important in negotiations since they enable the seller to adjust their persuasive messages. This tactic is overall more common in personal selling, especially in B2B field (Simintiras & Thomas 1998). When it comes to specifically persuasion tactics, sales people can refer to logic, which works typically in USA, to emotions which works in for instance Middle East or to ideology which works in Russia and Eastern Europe. (Simintiras & Thomas 1998). According to Sharma (2016) the safest choice for tactics is value based selling since all markets are focused on cost. Regardless of the tactic choice, concessions are used in all tactics. They are made throughout the persuasion process, in some countries little by little as a show of trust and in others more in the end when the agreement is ready to be made (Simintiras & Thomas 1998).

There are different tactics that sales people can use to overcome objections. Direct denial is the most controversial one, as it is likely to cause a negative response when the customer is directly proven to be wrong. Especially in cultures where the face is valued, this is a risky tactic. Other possibilities are to postpone which means that the sales person will take care of the objection later or pass-up which means that the objection is acknowledged but then left aside. Both of there can cause problems to the social needs of the buyer. (Arndt et al. 2014). In collectivistic countries these tactics might cause a problem since there social values and group values are more appreciated.

Two lighter tactics to overcome objections are indirect denial and third party reference. The indirect denial means that sales person uses compromises trying to overcome the objection and get align with the customer. Third party reference is when sales person gives ground to the objection and then explains how other customers got over that. (Arndt et al 2014). These tactics might be more suitable for collectivistic cultures. High-threat tactics that were first mentioned express expertise and authority (Arndt et al 2014), which could work in high power distance cultures and macho cultures who appreciate that the sales person expresses that he/she knows what they are talking about.

One important aspect to consider in international personal selling is the way people see money and how the price should be indicated, because the presentation of price affects the customer's perceived value of the offering and hence affects the customer's interest in buying (Sivakumar 2014). Some customers want to know the price early on and this can be because of the high-certainty avoidance in the culture, such as in China (Babin, Borges & James 2016). In B2B it is overall typically the customer who initiates the price inquiry especially if it is a new customer. After that the sales person can indicate the price and give grounds to it. (Uzo & Adigwe 2016). The relative price can indicate about the specialty of the product as higher ranked brands and products tend to have higher prices than standard products. These products also can use higher reference points than standard products when expressing and explaining the price to the customer (Sivakumar 2014). What is more important than the actual price are typically the payment terms (Uzo & Adigwe 2016) and the possibility to haggle and bargain in some cultures (Ivanova & Torkkeli 2013, Uzo & Adigwe 2016). In countries where bargaining is important part of the culture, this should be noticed in pricing so that the other party has the possibility to get the price down without losing their face (Ivanova & Torkkeli 2013).

Culture and the target market are not the only ones affecting the sales tactics. It is worth mentioning that sales person's personality, the type of industry in consideration, size of the deal, closeness in business relations and the expectations of the company affect the chosen tactics (Usunier & Lee 2013, 437). Overall culture affects what kind of values are used in arguments, how the persuasion is formed and what aspects are highlighted, whether the seller tries to more aggressively change the customer's mind or whether the goal is to solve the customer's problem. Also there are different tactics to overcome objections and different ways and times to express the cost of the product or service.

## 3.5 Tasks of the sales person

Sales people traditionally have an image filled with negative stereotypes (Dabholkar & Kellaris 1992), which is luckily now changing. Like mentioned already in the introduction, nowadays the aim in business is to form more profound customer relationships and the formation and maintenance of these relationships is typically the responsibility of sales people. This is because of the fundamental problem of selling which includes the dilemma of short term wins versus long term wins and affect the decision of transaction oriented tactics or relationship oriented tactics (Dabholkar & Kellaris 1992). Besides this task, sales people have a lot of varying tasks which form part of the sales process. Some of these are influenced by the culture and will hence be mentioned in this section.

Some people and cultures aim to form a relationship when negotiating a deal with the customer and others focus more on the transaction. Cultures also influence heavily on how relationships are formed. (Usunier & Lee 2013, 428-431, 437). A relationship in the business context requires mutual interests and commitment that are result from communication and interaction between the two parties (Mintu-Wilmsatt & Gassenheimer 1996, Weck & Ivanova 2013). Trust supports the development of relationships and can also be seen as a replacement for developed marketing activities (Weck & Ivanova 2013). This means that in less developed countries people need to rely more on trust since common marketing infrastructure is not existing. Some cultures also see trust differently and have different intuitions when trusting new people, whether their word can be trusted or whether agreements and other documents always need to be in written format (Mintu-Wilmsatt & Gassenheimer 1996). Culture also influences the bonds that are created to form these relationships. Structural bonds are more work related and also more popular for instance in individualistic countries. Social bonds then again are more personal and not work related which means that they include similarities and shared beliefs outside of the work environments. These bonds are typically created in more collectivistic countries. (Jones & McClearly 2004). Also the value of personal commitment, such as the owner running the company, varies between countries and is greater in for example collectivistic cultures and other sociable cultures (Braga Rodrigues & Child 2012).

What helps to build trust and strengthen the relationship are the similarities between the buyer and seller, especially when it comes to perceptions and first impressions. Personal feelings and thoughts about the counterpart affect the formation of the relationship, which becomes easier if the persons are more or less alike (Simintiras & Thomas 1998). Obviously in this context it helps if the two parties come from the same culture. Sales people can help the relationship building by fostering learning, building trust, speaking local dialects and sharing tasks inside the company to commonly attend the customers (Uzo & Adigwe 2016). These can be seen as fraternity building tactics (Uzo & Adigwe 2016) which help interpersonal attraction that is seen to increase customer satisfaction and can be rewarded economically, because these people are often more willing to make better deals (Simintiras & Thomas 1998). But still in case the trust is lost or mutual benefits are no longer found, the relationship can end up in dissolution and that can happen at any time (Weck & Ivanova 2013).

One common method for building social capital and foster the relationship with the customer is socializing outside of work hours, for instance by having a dinner together. The importance of these social meetings increases when the relationship is formed and starts to develop. Then it becomes more personal and the buyer and seller can include their families to the relationship as well. Such social tactics are more common in sociable cultures. (Braga Rodrigues & Child 2012). For example in Russia the people are interested in knowing the people who they work with so common dinners are part of the negotiation process (Weck & Ivanova 2013).

The orientation to form a relationship also depends on the chosen tactic of the sales person. The traditional tactics are defined as hard and soft where hard aims for win-lose situation and is suitable for transaction based strategies and soft aims for common understanding and is hence more suitable for relationship based strategies (Malik & Naeem 2010). The customer can be task-oriented, self-oriented or relationship-oriented (Bachkirov et al. 2016), which affects the sales tactics. If the customer is task-oriented the sales person needs to keep the deal in mind and skip excessive small talk, which would be required if the customer was relationship-oriented (Sharma 2016). Sales person can also by him- or herself direct the customer to task-orientation by using market oriented tactics that purely focus on the current profit of the company (Uzo & Adigwe 2016). These tactics are part of the short-term win strategy. Such tactics could be price listing, work arrangement inside the company and records keeping (Uzo & Adigwe 2016). They also include more persuasion (Chaisrakeo & Speece 2004). In these the seller is trying to gain as much information from the customer as possible without revealing information about themselves (DeSimone 2004). Hard tactics do not aim for relationship building but are more valued in for instance individualistic countries (Sharma 2016).

In collectivistic, high-context and feminine cultures sales people should use these soft tactics and be friendly since these cultures aim for common understanding (Sharma 2016, Chaisrakeo & Speece 2014). The soft tactics and more especially trust building tactics are good for emerging economies as there trust replaces some of the lacking legal infrastructure. (Sharma 2016). The soft problem solving tactic requires a lot more adaptation, information exchange and highlighting of customer problems (Chaisrakeo & Speece 2014, DeSimone 2004). This is why it is also called interactive bargaining (DeSimone 2004) and also why it helps to create long-term relationships (Chaisrakeo & Speece 2004). The division between relationship oriented buyers and task oriented buyers also stem from the willingness to interaction. The cultures that are more willing to interact, are more open to relationship building tactics and appreciate credibility statements over authoritarian expertise statements. (Arndt et al 2014).

Besides the important task to choose between long-term and short term gains and task- and relationship orientation, sales people have other tasks as well. Nowadays maintaining the relationship with different tactics is probably the most important one together with acting as a middle man between the buying and selling company (Geiger & Finch 2009). This puts them to a great position to obtain information from the market (Geiger & Finch 2009), presenting the company to other actors on the market (Sohi 1996, Chaisrakeo & Speece 2004), exchange information (Simintiras & Thomas 1998) and solve customer problems (Chaisrakeo & Speece 2004). These varying tasks require the ability to be creative and adapt to the environment (Sohi 1996).

## 3.6 Theoretical framework

Culture is important in international marketing communication because it affects the decision making of the possible buyer and also how the selling situation is perceived (Zeithaml & Bitner 2003, 49). Besides having an effect on decision making and perceived value, culture is also visible in communication. Cultural norms can be seen most clearly when problems are solved, even though the underlying assumptions and cultural values are usually forgotten since people do not think about it constantly (Usunier & Lee 2013, 25, Schwartz 2006).

In this study culture and cultural differences are not defined according to any specific previous framework that is already existing on the field of cultural research but rather as a combination of different research is used. This is done in order not to limit the view of culture to one researcher's opinion but to look at the concept more profoundly. These elements of previous cultural research relevant for the personal selling process are combined to a theoretical framework that is now presented. In the theoretical framework the theory of personal selling, which was already presented in chapter 2, is included in the background, meaning that this framework is used in the context of personal selling process.

Sense of time is a theme combined with Hofstede's (1991) long-term vs short-term orientation and Hall's (1973) concept of time. This theme includes both the sense of time of the buyer and how the seller adapts to that as well as the speed of the personal selling process. The next theme is communication which is a combination of several factors, for example modified high vs low-context cultures by Hall (1976), language issues, formality affected by hierarchy vs egalitarianism by Schwartz (2006) and power distance by Hofstede (1980) and culture of complaining. The group activities are affected by individualism vs collectivism dimension and masculinity vs femininity dimension of Hofstede (1980), autonomy vs embeddedness dimension of Schwartz (2006) and concept of space created by Usunier and Lee (2013). Also the roles of the buying group affect this theme. Tactics is an overall wide theme, in this research consisting of the dimension harmony vs mastery of Schwartz (2006), the receptive and expressive influence tactics of Malik and Naeem (2010), expressing values of different cultures, overcoming objections and theories related to money and cost. The final theme relates to relationship building vs transaction orientation in business together with other tasks that sales people have along the process.

The adaptation of each step according to these differences can be non-existent, moderate or complete (Uzo & Adigwe 2016, Weck & Ivanova 2013). Moderate most likely works the best since adapting fully can be seen as a threat by the buyer and no adaptation can be too foreign (Weck & Ivanova 2013). Adaptation of course requires learning so it becomes more precise when the company has acquired information about the buyer and when the relationship has become stronger but also if the company has more international experience (Weck & Ivanova 2013). Learning happens mostly through asking questions (Malik & Naeem 2010). So it needs to be kept in mind that the closeness of the business relationship together with the experience of the sales person affect the level of adaptation.

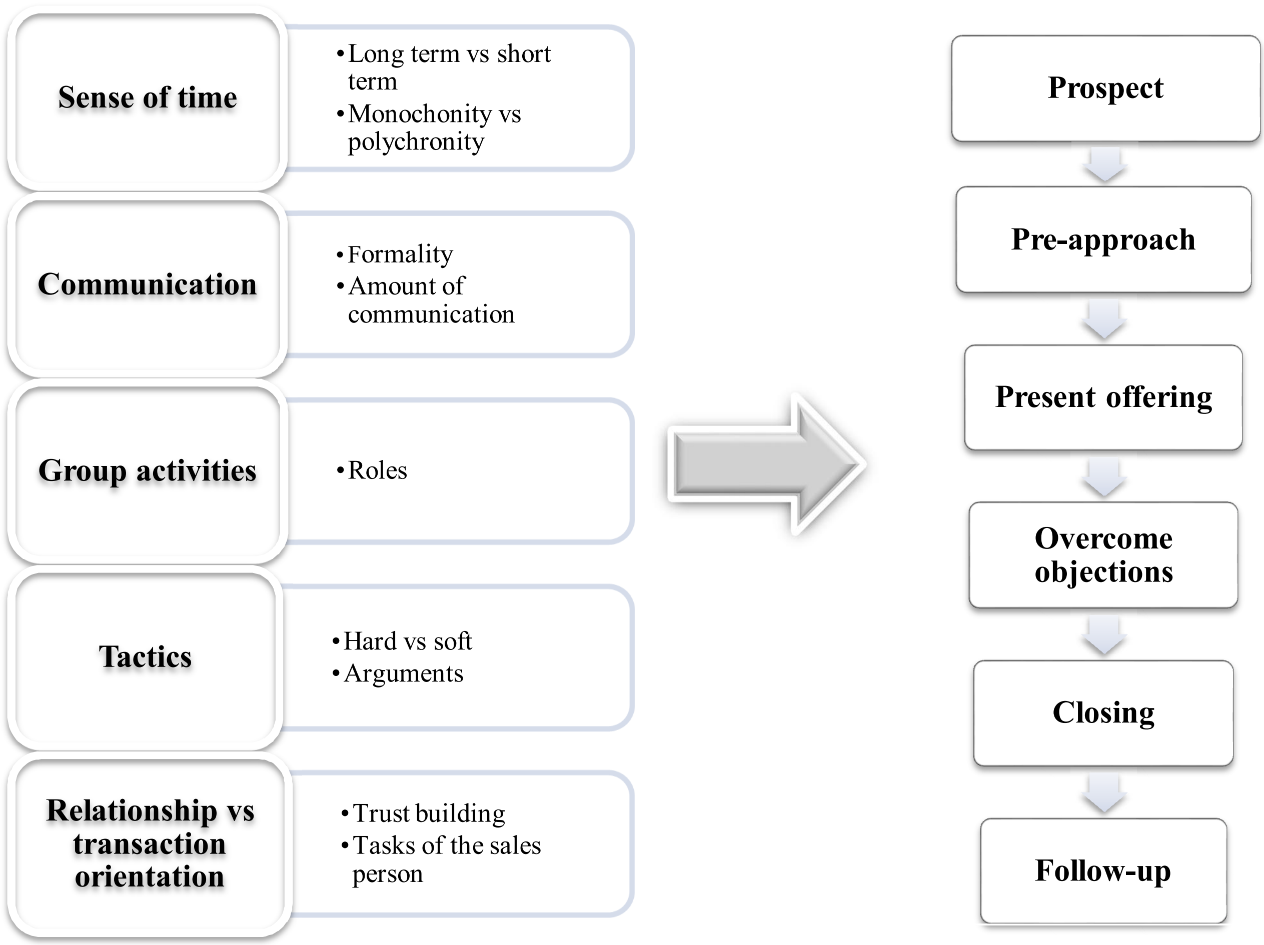


Figure 2 Theoretical framework

The framework presented in the figure 2 was created after the existing theory was analyzed in order to come up with a clear picture of themes affecting and demonstrating cultural adaptation in personal selling process. The themes presented below in figure 2 will be used as guidelines in the empirical part of the research.

# 4 METHODOLOGY

## 4.1 Research method

At this point it is worth to repeat the research questions, because they define how the research design is going to be (Flick, Kardoff & Steinke 2004, 149). The main objective of the research is to find out how the personal selling process is adapted to cultural differences. The sub-research questions were the following:

- What kind of cultural differences do the sales people take into account?
- How is the sales process affected by cultural differences?
- How can personal selling be adapted?

The idea for this research was to gather insight form both theory and practice, and that is why the second part of the research is empirical instead of relying purely on literature review. In this chapter the methodology will be presented together will all the steps taken by this research. The theory formed the base for the empirical research and the introduction in which especially the purpose of the study, formed the base for the methodological choices.

Qualitative research was chosen due to the nature of the research questions, which are trying to find out the reasons for certain choices (Brannen 2005, Barbour 2008, 11, Hirsjärvi & Hurme 2000, 21). Qualitative research fits this purpose better than quantitative since quantitative research typically aims to answer to amounts and correlations or causes and consequences (Barbour 2008, 11). Qualitative research is good for explanations and mostly used in research that question how something is done (Barbour 2008, 11, Flick et al. 2004, 8). In this case since the target of the research is cultural differences, qualitative research is needed in order to understand the underlying factors. There are two concepts, cultural differences and personal selling process and the aim is to interpret the existing relationship between these two (Kvale 1996, 11).

These underlying reasons for actions that this research is seeking to reveal, could only be found out in interaction with the research objective as happens in qualitative research where the researcher can influence the direction of the research (Brannen 2005, Flick et al. 2004, 5). Also in qualitative research the researcher is better able to find out underlying meanings and draw analysis from those (Brannen 2005, Hirsjärvi & Hurme 2000, 22) which was incremental to the first two sub-research questions, especially the first one about cultural differences. Like stated before, the culture of the object researched also affects the cultural research so it might need some guidance from the researcher to be able to understand the underlying factors.

The thesis follows the traditional research process and structure. Theory is also the base for qualitative research so that the research has something to test in practice and so that the results are related somewhere (Seale et al 2007, 96). Still the major difference between qualitative and quantitative research is that qualitative is not narrowing its viewpoint to the existing theory and testing it but rather staying open for the ideas that stem from the collected data and also to create new theory rather than test existing one (Flick et al. 2004, 5). This also supports the selection of qualitative viewpoint for this research since the topic is not researched a lot and hence a broader scope of ideas is needed in order to gain more insight on the existing practices. New theory or parts of the possible new theory are presented in the discussion chapter as well as the further research suggestion chapter.

The crossroad between cultural studies and business is where this research fits, so the choice of qualitative methods is supported by the existing qualitative research literature. Overall the choice to use empirical research in order to answer the research questions stems from the idea that there was not enough existing literature to create a base for a quantitative study and hypotheses. The goal was to gather different kinds of information from multiple sources in order to get wider perspective. This supports the statement by Seale et al (2007, 3) that principles of research are always linked to practice and they are best presented in relation to a practical case.

## 4.2 Data collection through interviews

In this study the chosen data collection method was interviewing. The reason why it was chosen as the method for this research, is that it supports the research questions and the purpose of the research. Interviews are extremely good for obtaining expert knowledge on a subject matter, analyzing the interviewee's personal opinions and/or to gather information related to their biography (Flick et al. 2004, 203), which is exactly what this research was about. This research also follows the modern interviewing (Gubrium & Holstein 2002, 2-5) since the target of the study is the sales people who actually are engaged in the process instead of asking their superiors how they think sales is being done. They are also the experts who have the most knowledge about the business practices.

Since in this research the aim was to gather information about sales tactics, meaning the operational level employees actually doing personal selling, the chosen method fits very well. Other possibilities would have been conducting a case study which means that the researcher aims to find out all there is to a certain case, which can be broadly understood, or comparative study meaning that multiple cases are compared in a standardized format (Flick et al. 2004, 147). Case studies have typically one or two objects that are somewhat rare and special (Hirsjärvi & Hurme 2000, 58). Neither of these methods would have suited this research since the aim was to gather broad understanding about the phenomenon which is not rare but actually very common. Standardizing the selling negotiations in an international context would have been problematic due to the limitation created by cultural differences which was the research objective. Hirsjärvi and Hurme (2000, 58) also stated that the amount of interviewees stems from the purpose of the study, which is the idea that this research is following.

Interviews, especially when they are done face-to-face like in this research, give valuable insight about the research topic and the interviewees' experience (Seale et al 2004, Seale et al 2007, 16). In this research, all the interviews were conducted face-to-face with the interviewees carefully chosen for the interviews. The interviewees were pre-selected by asking a few questions related to the subject matter in order to make sure that they have experience that they can share. This even further points out the subjective nature of qualitative interviews (Hirsjärvi & Hurme 2000, 35). Interviewing is always affected by the interviewer since the two parties, interviewer leading the discussion and interviewee who is expert on a subject matter are both involved (Seale et al 2007, 17).

From the different possible interviews, semi-structured were chosen for this research because it gives the possibility for the interviewer to guide the discussion into certain topics that he/she wants to know about but leaves room for the interviewee to tell something that the interviewer was not aware of beforehand (Seale et al 2004, Barbour 2008, 17). Semi-structured interview is between structured and non-structured which means that some parts have been decided beforehand but the interviewer can vary for example the order of the questions or the phrasing of the questions (Hirsjärvi & Hurme 2000, 43-47). These interviews aim to get elaborate and detailed answers which include a lot more information than yes or no type of answers. (Seale et al 2007, 16). In this case semi-structuring meant that the interviews followed a list of themes but each was handled in a different order and with varying questions in each interview in order to allow the interviewee to state his/her view and experience. It also allowed another topics to be discussed which was important considering that this kind of research has previously not been done and also considering that the researcher did not have comprehensive information about the possible factors affecting the adaptation or the possible tactics used in personal selling. By using semi-structured interview, there was room for new information to emerge that stems from outside of the theory, while involving the same themes in each interview which allowed the comparison between the interviews.

### *4.2.1 Themes used and the operations table*

The interviews were conducted only after the theoretical part was drafted in order for the researcher to have a good insight about the topic. So the theoretical framework presented in chapter 3.1 did work as a base for the interviews as well. This was in order to be able to ask appropriate and needed questions based on the existing theory. Brannen (2005) supports this view of thinking by stating that qualitative research usually requires prior investigation either quantitatively or like in this case by doing a literature review. This also gives structure to the research since similar themes are repeated throughout. The main themes that were followed in the interviews were already presented in the figure two together with the theoretical framework.

The questions were kept quite similar for each interview but they always followed the interviewee's own statements and his/her arguments. This is according to the good practice of qualitative interview where several people are interviewed for the same purpose as the similarity of the questions makes it easier for respondents to understand them similarly and hence make the results comparable (Hirsjärvi & Hurme 2000, 58). The question list was only iterated between interviews when more knowledge was gathered in a manner that some themes were covered in a more specific manner. All in all since talking about semi-structured interview, the most important thing is to utilize the interviewee's expertise on the subject matter and his/her opinion about the important topics. (Seale et al 2007, 18). The presented themes for the interview were merely giving structure for the interview.

The themes for the interview stemmed from the theory and the research questions. The exact questions used were not presented to the interviewees before the actual interview, but they were informed about the research questions in order to ensure that the interviewee has right knowledge and that they can orientate themselves for the interview. These are according to the good practice when planning interviews (Seale et al. 2004). The operations table that that is presented below in Table 1 was used as a structure to combine the theoretical framework and the themes used in the interviews with the research questions. The data that was gathered from the interviews is presented together with the analysis in the next chapter number 5.

Table 1 Operations table

| ***Sub-research question*** | **What kind of cultural differences do the sales people take into account?** | **How is the sales process affected by cultural differences?** | **How can personal selling be adapted?** |
|---|---|---|---|
| *Theory* | Hofstede's cultural dimensions<br>Schwartz's dimensions<br>Cultural values | Kotler and Keller<br>Relationship in business<br>Personal selling in B2B | Degree of adaptation<br><br>Buyer's orientation |

| | | International negotiations | Personal selling tactics |
|---|---|---|---|
| *Interview* | What is the target market or markets where you sell?<br><br>What are the cultural norms present in negotiations?<br><br>How is the communication performed with the buyer?<br><br>How are the groups formed and trust established?<br><br>What kind of senses of time are there? | What is your target group?<br><br>How well do you know your buyers?<br><br>How much experience do you/your company have from international negotiations?<br><br>What is your role as a sales person in the negotiation?<br><br>What is the personal selling process like? | When do you need to adapt?<br><br>Are there differences in the buyer's orientation?<br><br>What kind of tactics do you use?<br><br>How are these adapted?<br><br>What else in the process needs to be adapted? |
| *Code for analysis* | Are there cultural differences in international negotiations and do these affect the personal selling? | What is the personal selling process like?<br><br>What is the role of the sales person? | What kind of selling tactics there are?<br><br>How and when are these adapted? |

This operations table was used as a base structure for the thesis and together with the theoretical framework, these two formed the model for analysing the results found in the empirical part of this research. The questions presented here are not the direct questions from the interviews, but more of guiding themes in each step of the process.

### 4.2.2 *Interviewees*

According to previous qualitative research theory, the researcher can first test the possible interviewees to see whether they possess the desired expertise and then make adjustments for the research or adjust the chosen interviewees (Hirsjärvi & Hurme 2000, 59). This is also called as a priori interviewing for finding respondents for the interview (Gubrium & Holstein 2002, 87). In this research this method was chosen and the possible interviewees were first presented with the research questions related to the research and the research objectives in order to make sure that they have the required expertise for the interview. Other possible methods for choosing respondents could have been creating a theoretical sample or using the snowball effect (Gubrium & Holstein 2002, 87) but this a priori interviewing seemed correct for this purpose. In the beginning the companies were found using personal contacts as well as searching information about industries and clientele from company websites. The interesting companies that work in the B2B field were contacted and interviews were agreed upon on e-mail. All together seven interviews were conducted in order to get more information and the companies represented different industries. According to Seale et al. (2007, 17) using several interviewees helps to make the results richer by taking into account varying opinions about the same subject matter.

The first five interviews were completed during February 2018 both in Turku and in Helsinki area since the companies were located in these two areas. The interviews were done at the company's office, recorded and later transformed to written format excluding one interview since the interviewee did not wish for the interview to be recorded. The duration of the interviews varied from 30 minutes to one hour. Later two interviews were conducted in Santa Fe, Argentina in April 2018 in a similar manner, except that the last interview was conducted in a Café instead of the company's office due to convenience related issues. The first five interviews were conducted in Finnish and translated for the analysis by the researcher. The last two interviews were conducted in Spanish and later on translated to English also by the researcher. The themes used remained the same throughout even though the interviews in Finland were analyzed before conducting the interviews in Argentina. The reason for conducting interviews in two countries was to gain wider perspective, noticing that the Finnish interviews did not cover Latin American countries. By including more interview from a new area as well as from a different cultural perspective, the reliability of the research could be increased. Below table 2 shows more detailed information about the interviewees.

Table 2 The interviews

| **Nationality** | **Sex** | **Title** | **Industry** | **Sales experience in years** | **Target countries** | **Interviewing language** | **Duration of the interview in minutes** |
|---|---|---|---|---|---|---|---|

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *A* | Finland | Male | Head of sales | Thumb-tack manufacturing | 1 | Russia, Asia, Nordic countries | Finnish | 40 |
| *B* | Finland | Male | Export manager | Planning and manufacturing of energy systems | 20 | Europe, Russia, United Arabic Emirates | Finnish | 45 |
| *C* | Finland | Male | Head of partnerships | Technology event | 3 | Asia, USA, Europe | Finnish | 35 |
| *D* | Finland | Female | Head of Sales and partnerships | Flight training | 6 | Japan, Europe, USA, Russia, Mosambik | Finnish | 45 |
| *E* | Finland | Male | Sales Director | Horticulture | 27 | Europe, Israel, little from Asia | Finnish | 40 |
| *F* | Argentina | Male | CEO | Nano-bio solutions | 6 | Latin America, USA, Europe, Middle East, Southeast Asia | Spanish | 70 |
| *G* | Argentina | Female | Sales person | Manufacturing of food and dairy products | 10 | Latin America, Northern America, Africa, Middle East, Europe | Spanish | 45 |

From the table we can see that the target countries cover more or less the whole world with concentration in Europe, United States of America (USA) and Asia. The interviewees presented both sexes, variety of industries and most had many years of experience while others presented start-ups with less experience. The variation among the interviewees was sought to gain a comprehensive understanding of the existing practices and to eliminate the possibility of some practices being industry specific or based on a single person's opinion.

When doing the actual interviews, good interviewing principles were used. These include the interviewer setting up the interview by agreeing on a time and a place and also getting an informed consent from the respondents. Informed consent means that the respondents are answering on free-will, their privacy will not be harmed by the interview and that the interview is otherwise performed ethically. (Gubrium & Holstein 2002, 89-90). Besides following the ethical research logic, these practices helped the interviewees to feel comfortable and hence being more open to share their knowledge.

## 4.3 Methods of analyzing

Since for example Barbour (2008) stated that in qualitative research and especially in its analysis transparency is essential, first the analyzing methods are presented before moving on to the actual discussion. Analysis also helps to understand the phenomenon in wider perspective and helps to see things that were not visible when gathering the data (Feldman 1995, 39).

When analyzing the interviews, the process started already during the interviews when the questions were modified according to the respondent's statements due to the semi-structured configuration of the interview. In this research coding was used as a tool to help the analyzing later on after each interview was conducted. Coding means that the data collected is grouped into sections, typically based on similarities and even more based on research questions or interview questions (Barbour 2008, 198). In coding the emerging themes and their relations are handled and presented in manageable format. In this research the coding was done according to the themes that guided the interview, meaning the ones presented in the theoretical framework. Each theme was given a specific color which helped managing the written transcripts of the interviews. After coding the data and finding out which statements belong to which theme, a form of semiotic clustering was used to further analyze the data. Semiotic clustering relies on signs and meanings that are in the data or stem from the data and it was chosen due to its popularity in cultural research even though it is, in itself, a cultural method (Feldman 1995, 22-23). Also the method seem to be good for analyzing this kind of cultural data where people also imply and have subjective opinions instead of objectively analyzing a current phenomenon.). In this research this means that all statements coded for each theme were analyzed by their different meanings. This analyzing method is especially good for understanding relationships between subject matters and the larger picture (Feldman 1995, 40).

After the coding made the data easier to manage and the semiotic clustering made the data more vivid, the comparing of the interviews and comments began. The similarities and differences of each comment related to the same theme were put together in order to analyze what is the general opinion of the interviewees about each theme and also what is included in each theme. Then after that these were compared to the previous theory to find out whether the empirical findings follow the previous theory or if there is something new or contradicting to the existing theory. When analyzing the statements of the interviewees, also the possible background elements such as the company's industry, the size of the deal or the sex of the interviewee were considered to transparently point out that there might be other factors affecting the cultural differences.

Findings of the empirical part of the research will be presented in the next chapter together with the analysis of those compared to the findings of the theoretical section. Presenting the results in this manner was chosen due to the nature of qualitative research giving elaborate answers to the research questions and not providing quantified data. The intention of qualitative research is to go beyond just describing a phenomenon or merely supporting an existing theory and that is why analysis is needed in order to make interpretations (Feldman 1995, 2-3). The analysis and discussion chapter is divided into parts according to the interview themes. The order is similar to the theoretical part to help the reader follow the process.

## 4.4 Reliability and validity

Before going into detail of the reliability and validity of this research, some general guidelines of good research practice are examined. A good qualitative research possesses several criteria. The chosen methods and theories should be general and well explained, the research should be transparent, claims should be supported by evidence and the collected data should be presented faithfully and analyzed thoroughly. (Seale et al. 2007, 9-10). This research contributes to the general and well explained methods, by thoroughly analyzing the chosen ones in chis chapter and relating them to existing theory about qualitative methods. Also the structure follows the sub-research questions that were presented in the introduction so that it is clear for the reader to follow how the thinking has proceeded. In the operations table in chapter 4.2.1 the theories and methodologies were presented in a clear format and in the same order as the research has. Besides also the structure for the interviews conducted was presented in the form of themes list. The data was anonymously presented in order to protect the participants and in order for the participants' background not to affect the results of this research.

Seale et al. (2007, 9-10) found out also other criteria to evaluate the quality of the research. These are that the research gap should be demonstrated together with the reasons why qualitative research was chosen, reasons behind sources and lacking of certain sources should be explained, evidence and analysis should be separated and further research implications should be given space. These criteria were used when designing the format of this research report. Research gap was presented in the introduction and the methods were presented in the chapter 4. Also the chosen interviewees and reasons why these choices were made were presented in the chapter 4.2. The format of first presenting theory in the first two chapters and after that moving to the empirical part gives recognition to previous research. Both chapters 4 about methodology and 5 about the analysis and discussion include separately previous research theory, data collected meaning the empirical evidence and the analysis. This distinction to different parts presents transparently to the reader which is which so that it is possible to understand how the researcher has come up with certain thoughts.

The important base of every good research is objectivity because with that the researcher can convince the reader of the presented findings. It has two integral parts, reliability and validity. Reliability is defined as the way by which a measurement gives out the same result every time it is used. Validity on the other hand means the way by which the measurement gives a right or correct result. (Kirk & Miller 1986). So in order for the research to be objective, it needs to give out the same and correct result each time it is conducted, regardless of the researcher. Hence the researcher should not influence the study, even though in qualitative research, the researcher is an important part of the research and cannot be completely excluded from it (Brannen 2005).

For this research, the interviewed companies were chosen due to the fact that they were fitting the scope and aim of the research and also that the researcher had connections to the companies or contacted them via e-mail. The interviewed companies could not affect the design or results of this research but were chosen purely objectively and used solely as information sources. So the reliability in this sense is good since the research could have been done by anyone and the researcher did not influence the findings (Kirk & Miller 1986). Also the companies and the interviewees volunteered to be the object of the interview with free will, hence they did not influence the research in any way.

Validity in social research requires transparent explanation of how the result was gotten since there are no quantitative measurements done (Kirk & Miller 1986). Hence in this research the methodology was presented clearly, exactly and in a chronological order so that the reader can follow the progress. Also all the data is collected before making analysis of it so that the reader can follow the way of the researcher is thinking. Kirk &

Miller (1986) divide reliability into three parts, diachronic reliability, synchronic reliability and quixotic reliability. Diachronic reliability means that the results are not depended on a given moment but are timeless (Kirk & Miller 1986). This could not be tested in this study due to time limitations. There were only seven interviews, one per company so the diachronic reliability is low for this research. Synchronic reliability means that during the same time period, the different observations made are more or less the same, not exactly the same but they follow a certain pattern (Kirk & Miller 1986). This was ensured by asking the interviewees several questions about the same topic, just forming the questions a bit differently. This way it was ensured that the answers were correct and well thought. So the research is synchronically reliable. The last part, quixotic reliability is defined as a way by which one observation method gives the same result (Kirk & Miller 1986). Even though this can be said to be good for this study since the interviewees answered similarly to the questions, many researchers have neglected the quixotic reliability by stating that it might be influenced by rehearsed answers (Kirk & Miller 1986). Since in this research the question list was not formed exhaustively or provided to the interviewees beforehand, they did not have the possibility to rehearse answers.

Biggest reliability problem in qualitative research is that the researcher is involved in the research and rarely can and want to explain what they observed during the research (Kirk & Miller 1986). Due to this, in this study the process was presented with as much details as possible. The interview situations were described in detail, describing the reasons behind the selections, the background of the researcher and the circumstances of the research and the interviewees. Also both theory and empirical data was presented prior to making any analysis of the findings of the research. These actions help the reader to see why the researcher made such findings and analysis.

# 5 FINDINGS AND DISCUSSION

In this chapter the empirical findings of the research are presented, first divided into chapters that present each of the cultural themes of the theoretical framework in relation to personal selling process and then in the final chapter the findings are linked to the personal selling process as a whole.

## 5.1 Sense of time

For all interviewees the personal selling process was familiar and they recognized the steps, which means that the linear process and linear concept of time is familiar to all. All interviewees also said that their company in one sense or another follows this kind of process, even though the nature of the industry and sometimes even the specific case affects the steps used and the speed of the process. Linear time is hence followed overall in all the industries even though some by their nature cause cyclical phenomena, such as interviewee C who is an organizer of an event that happens once a year. Still this industry follows linear concept of time by planning forward and following the plan step by step. Only strong exception to this linear concept of time was brought up in the case of Russia where several interviewees had noticed that planning is minimal and each year follows the same cycle for the Russians which causes the buyer not to inform the seller in advance or engage in negotiations ahead of time since for the buying company the cyclical time is inherent. For sellers who see time as linear, this lack of planning and expectation that each year follows the same pattern, does cause some difficulties.

Even though some of the interviewees have operated in Africa where time concept is typically event related, no comments about event related time concept was brought up. What was more common was the debate between linear and cyclical time concept in relation to planning and monochromic versus polychromic cultures. Southern European and Latin American cultures seem to be monochromic meaning that several things can be done at the same time according to the interviewees who have operations in these countries. These also show a lot more flexibility, which the Finnish interviewees took as a complicating matter slowing down the personal selling process and offering surprises. Argentinean interviewees on the other hand saw the flexibility and changes as a necessity in the turbulent environment but also as a cheering matter as always following strictly the process would be boring. The CEO of the nano-bio solutions company expressed the monochromic nature of the culture in the following manner:

> *Sometimes the speed of the process depends on the buying company and whether they are involved in several projects or not and whether they are interested in*

*yours. Sometimes we find customers who say "Aah interesting, please send me samples" but they are occupied with other projects and ours proceeds a lot more slowly. We are then the ones interested to offer. (CEO, nano-bio solutions)*

Other interviewees had also noticed differences in the speed of the process between countries. Northern European countries were said to be very clear and dynamic with the process and often also more willing to proceed faster, whereas Asian countries tended to take their time in each step. Some interviewees said that in Asia one thing slowing down the process is the need to get to know the other person personally. This adds the time needed for the earlier steps of the process, meaning pre-approach and approach steps. Some interviewees clearly saw this as inefficient due to their culture considering time as a scarce resource, but agreed that in order to sell, customer's time concept and speed needs to be followed. In USA the process was said to be fairly quick with the counterpart regarding answers in a timely manner, which needs adaptation from the seller's part in order to seal the deal. All interviewees doing business in Russia did mention that there sometimes you need to wait a lot for the buyer to give you an answer or to move on to the next step of the process, but in case a Russian buyer needs something, they are not willing to wait at all, rather the answer should have been given already. Other factors that interviewees agreed to affect the speed of the process was the size of the deal and the buying company since in larger companies decision making takes time but also the relationship with the customer because with a known customer everything happens more quickly. So besides cultural differences, also other factors cause the need to adapt.

When discussing about the scope of planning, major differences between industries could be found, with one similarity among the Finnish interviewees which was tendency and willingness to make long-term plans even though sometimes the nature of the industry does not allow that. This further emphasizes the linear concept of time, considering time as a measurable unit and emphasizing planning. The biggest difference was comparing Argentinean interviews with the Finnish ones. In Argentina the planning scope is very short and includes only a few months, maximum a year which in the other interviews tended to be the minimum planning scope. The Argentinean interviewees stated that the cannot make agreements or plans for longer time, even typically Europeans would like to, because the economy in Latin America is very turbulent and full of changes which would make it difficult to set prices on one level for a whole year. In this case it is the combination of the economic situation and the culture adapting to this that makes these countries more short-term oriented.

## 5.2 Culture of communication

First a figure 3 is presented to illustrate the cultural differences in the main dimension of Hofstede (1980) that affects the communication in personal selling. Figure presents the main target areas of the interviewed companies and their scores on power distance. Power distance affects the level of formality in a way that high power distance equals high formality (Hofstede 1980). As shown in the figure 3 such high power distance countries are Russia, Saudi-Arabia, Ecuador and United Arabic Emirates.

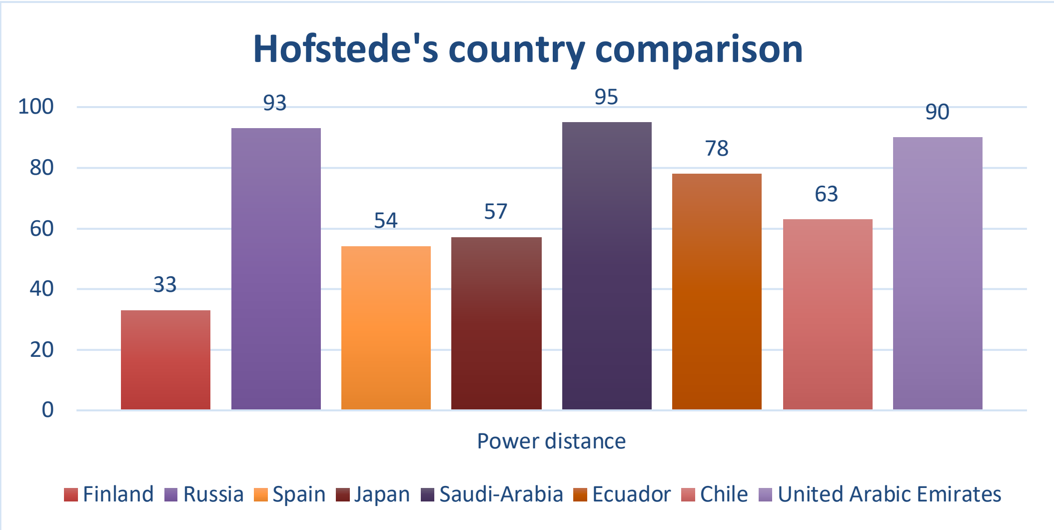


Figure 3 Scores on power distance (modified from Hofstede 1980)

The empirical data is in line with this as interviewees operating in Latin America, Russia and Asia pointed out the formality in these countries which can be seen in hierarchical processes, such as personal selling process, as the addressing of others by last names and the need to have documents signed by the CEO. Also in these cultures the contracts need to be made in a specific format and sent by mail to for example Korea as scanned or e-mailed documents are considered as invalid. Several interviewees stated that overall the communication with Asians is more strict and formal and hence also slower. What was surprising, was that the Argentineans saw Europeans as more formal and cold in their communication compared to Latin Americans. They also mentioned that this shows already from the beginning of the process in the exchange of e-mails which tend to be very short even though the sender is really nice and friendly. This is in contradictory to Hofstede's (1980) power distance scores since European countries are mostly very low in power distance.

What further emphasizes the high power distance and hierarchical communication in Russia is the importance of status, age and formally addressing other people. For example first names cannot be used in Russia or in Asia according to the interviewees, whereas in

Europe and in Latin America first name basis is used once the other person becomes familiar. Also besides the messages being formal and addressing others formally, there are other cultural aspects that describe the power distance in Asian countries. In Japan there is a need to dress really neatly to business meetings, men are wearing black suits for example and all communication and behavior is very structured and composed. In Asian countries, the superior are respected more than in Finland and other Western countries. Interviewee C had noticed the same with Chinese companies:

> *In Finland you can directly call a CEO in the best case scenario whereas in China you will never speak a word with the CEO, you will speak to an assistant or a middleman who will take the decisions and briefings to the superior and then the decision comes and you might never meet that person [who makes the decision]... One Japanese company who I dealt with last spring, [there] the overall formality and politeness that was included in all the interactions, e-mails, phone calls and meetings, it surprised me how calm and respectful that is. (Head of partnerships, technology event)*

Other end of the continuum of power distance is the low power distance countries. According to the interviewees the American companies are very head-on in their communication, sometimes even aggressive. They also do more than think which means that the sales process is very quick but in the end they do not bother to fix the contracts, but rather let those be and act overall more relaxed. So the overall process is different but especially the formality of the process and communication is widely different from the communication with for example Korean and Russian people. One surprising thing that stem from the interviews with some interviewees, is that Germany is the strictest country when it comes to communication and sales process and they are also very formal. According to Hofstede (1980) Germany is a very low power distance country with a score of 30 and hence this is totally against the theory. Other dimension, the uncertainty avoidance also affects the contracts and these high-power distance countries are also high in uncertainty avoidance which explains the need for strict agreements and several stamps and signatures.

The Argentinean interviewees had very differing opinions about the contracts and the formality of the process, the CEO of the nano-bio solutions company stated that in their industry everything is very strict and formal and the focus in international business is typically in the documentation, whereas the sales person of the dairy products company said that typically no agreements are needed since the company is trustworthy and operates with well-known partners. The nano-bio solutions company typically needs to sign multiple documents before signing the actual contract, such as confidentiality and sales forecast documents which were not brought up by the other interviewees. For Asian customers the dairy products company still does make contracts even though for others not, so it seems that it depends on the buyer's orientation. In countries where the institutions are not as developed, for example in Russia and China, the contracts tended to be more precise and take more time which lengthens the closing step. The Finnish interviewees stated that contracts are typically made in a written format with the only exception of one-off small deals which can be done over the phone or e-mail. All interviewees did agree that contracts are good for both parties involved because then both know what the responsibilities and liabilities of each are.

The common business language used is English, with the exception of all interviewees pointing out that in Russia the language used is Russian and in China even though language used is English, documentation needs to be done in both English and Chinese. The same applied to Russian where all contracts are done in two languages. These countries present a clear avoidance of English which mostly affects the closing step of the personal selling process in the form of making and signing contracts. One of the interviewees also mentioned that one should make clear that the English version of the agreement is used at all times in order not to cause surprises. Argentinean interviewees said that communication with Southern European customers is a lot easier for them also because of the common language with Spanish people and similarities with Italian and Portuguese. One interviewee mentioned using an Argentinean middleman in Spain in order to get more insight on the local market even though the culture is similar. Another said that they use translator in Russia in order to ease the personal selling process. Argentinean interviewees saw cultural and communication differences overall as a more major obstacle than Finnish interviewees. Especially Asia and Middle East where mentioned as culturally difficult to enter, hence the need for middle men or translators. According to one interviewee Southern Europe is culturally similar to Latin America and the rest of the Europe they can understand but in Asia and Middle East it is difficult to know whether they are selling good or not. The high-context nature or language differences could be explaining factors in these areas.

When it comes to communication methods, the interviewees did agree on all parts. The personal selling process starts typically by prospecting in fairs or other local or international events, by using contacts and networking or by searching information online. One interviewee also mentioned visiting local supermarkets while travelling and contacting them directly in case she found that they were importing products from elsewhere. The process proceeds in all cases with either telephone calls or e-mails until it is time to present the offering which is done face-to-face after the initial information has been shared. Some interviewees highlighted the importance of face-to-face meetings more than others and especially in the case of Asian customers these were seen as necessary. Face-to-face meetings were seen as important because in these you can learn a lot from the counterpart. This could be because Asians typically wanted to engage more in non-task oriented communication or in other words getting to know the counterpart personally, which is easier when you meet in person. It seemed that only the approach step required face-to-face meeting, since after that the process could be continued over the e-mail, Skype or phone in all cases. Travelling was not necessarily required since most interviewees confirmed that typically the buyer wants to personally visit the selling company in order to make sure that they really have the product, the facilities and so on. Travelling was for all interviewees more important in prospecting and follow up steps. It was pointed out by most interviewees that travelling is expensive for the company and that is why typically each travel includes visits to several customers in order to get most out of the expenses. What was interesting was that the travels seemed to be targeted to Southern Europe and Asia, leaving out USA and Northern Europe in most interviews which could indicate that these countries or areas do not need as much face-to-face communication.

One thing affecting the need for face-to-face communication is the high-context versus low-context dimension. Low-context countries typically include a lot of information in their communication but require less background knowledge as the previously mentioned example of USA and Northern Europe requiring less face-to-face communication demonstrates. All interviewees stated that when first approaching the customer with the offering, a lot of information should be included about the company, their products and possibly references, which indicate low-context cultures judging by the amount of information. Interestingly though, Finnish interviewees all pointed out that the e-mail in the beginning should be kept short and simple even though Finland is a low-context country and on the contrary the Argentinean interviewees included a lot more information to the first e-mail despite the fact that Argentina is a high-context country. Interviewees had all noticed that the amount of information available and access to it diminishes the further the target market is away from the home country, which affects the pre-approach step. In any case the interviewees tried to gain information from other sources than directly from the customer before contacting the customer in order to already have an idea about what the customer might need. It turned out to become more difficult the further from the home market the target market was, due to this non-accessible information.

The division of communication between task-oriented communication and non-task oriented communication did vary between countries. This was most clearly seen in approach step and follow-up step, in others the focus was mainly only on task-oriented communication. So also the phase in the personal selling process affects the communication methods. In Northern Europe and USA the communication is very task oriented and overall there is less communication compared to Southern European countries, Asian countries and Latin American countries. In some countries in Asia and also in Africa, the first meetings can include only non-task oriented communication and getting to know the other person before going to business. In Japan surprisingly overall there is a great need for communication in each step in the process even though the country is considered a high-context country which would indicate otherwise.

Other aspect of high-context versus low-context cultures is the show of status. In Russia for example age and title brings a lot more power together with status so it seems that the visible aspects of power are important as Russia is a high-context country. One interviewee also mentioned adapting to these status differences in case they during the negotiations notice that the buyer has a high status and the status is important to them. This can be clearly seen in the following quote:

*Also part of it [negotiation tactics] is that if where are negotiating with the customer and we can see that he knows his own value, then these kind customers we do walk by the CEO's office afterwards. (Sales director, horticultural company)*

Besides these examples and the respect for superiors in Asian countries and Russia, no clear status differences could be seen in the interviews. One explaining factor could be that high-context cultures are more able to adapt to low-context cultures and their communication which would make it more difficult to notice these differences.

In one interview, the theme of bribe emerged. The interviewee stated that the most difficult situations have been when someone has clearly communicated that they need something extra for themselves if the deal is going to happen. In these situations it is important to keep calm and maintain the professional image since no-one should be insulted when negotiating business. It helps if you have anticipated that this could happen which emphasizes the importance of investigation before starting the negotiations with a company. The requests for something extra have happened all around and the theme is more related to single companies than actual cultures since other interviewees had not come across these kind of situations.

## 5.3 Formation of teams

This part will focus on how groups are formed in business negotiations as well as who are the sales people in contact with. The focus is to see how groups form in different cultures, what are the roles on the buyer side and also on the seller side and what influences these roles and groups. First the two important dimensions of Hofstede (1980) that influence this part are presented in the figure 4; collectivism vs individualism and masculinity vs femininity. In the figure, there are the most important target areas compared with the scores of Finland to be able to mark some main differences between the countries. Argentina was not included, since it shares similar scores with Chile which is one of the target markets of the interviewed companies (Hofstede 1980).

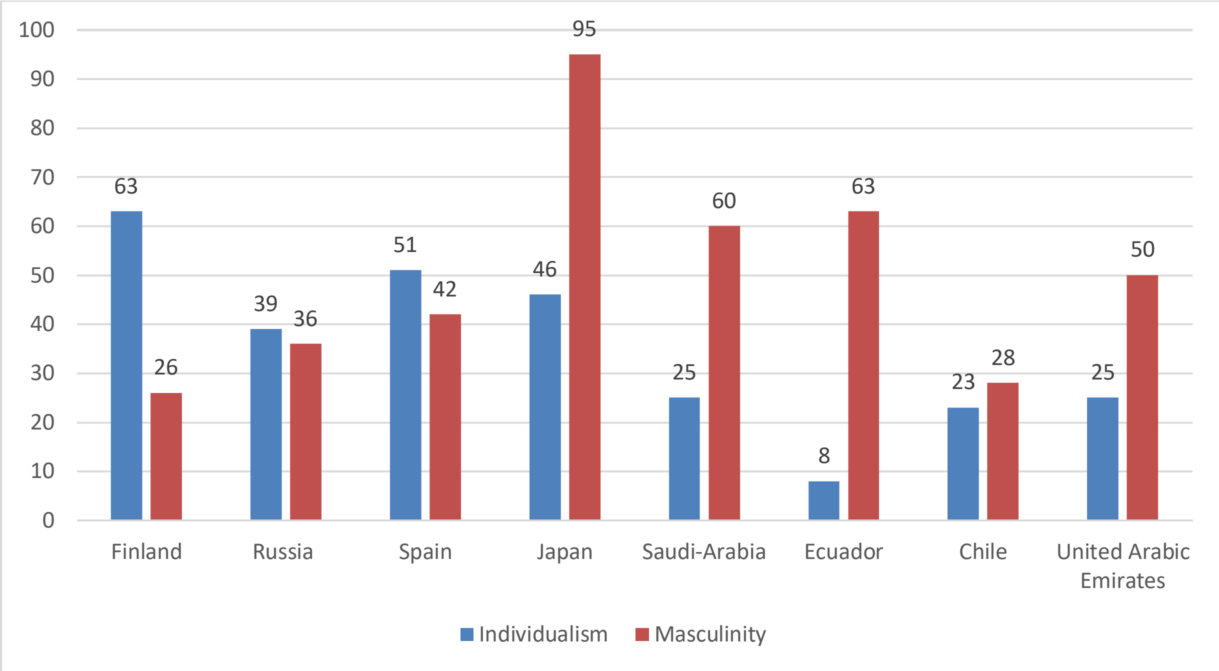


Figure 4 Scores affecting group activities (modified from Hofstede 1980)

All of the interviewees used several people in the negotiations and most of them said that the group of negotiators is formed based on their special expertise on the subject matter, for example logistics specialists are there to explain how the logistics work. All of the interviewees highlighted the importance of speaking the customer's language in terms of technicalities, meaning that there should be a person who knows the details of the product or service offered. It is important because typically the customer knows very well what they are buying and the sales person should be able to answer this knowledge with professional touch. This kind of division of work demonstrates depersonalization culture which means that people are judged based on what they can do rather than who they are. This also demonstrates individualism where each member of the team is responsible for their own agenda. Typically there is one sales person or key account manager responsible for the customer account once the deal is closed so until that selling is performed in a larger group.

Surprisingly the Argentinean interviewees used more commonly only one or two negotiators even though the country is collectivistic whereas Finnish interviewees used more. Argentineans mentioned that the sales person is able to consult others in the company if he/she needs information about some specific matter. On Schwartz's (2006) dimension, Argentina is a lot more autonomous than embedded, which could explain the use of single sales person. Also according to Schwartz (2006) Finland is highly autonomous country which means that people are more interested in their own doings than social relations and this seems to be the case at least when analyzing the in group activities.

Figure 5 describes the scores on Schwartz's (2006) dimension of autonomy vs embeddedness. The scores are based on a survey that was conducted with an opinion scale from -1 to 7, -1 meaning against person's values and 7 meaning supreme importance. Unfortunately Saudi-Arabia, Ecuador and United Arabic Emirates were not in the survey so their scores could not be included.

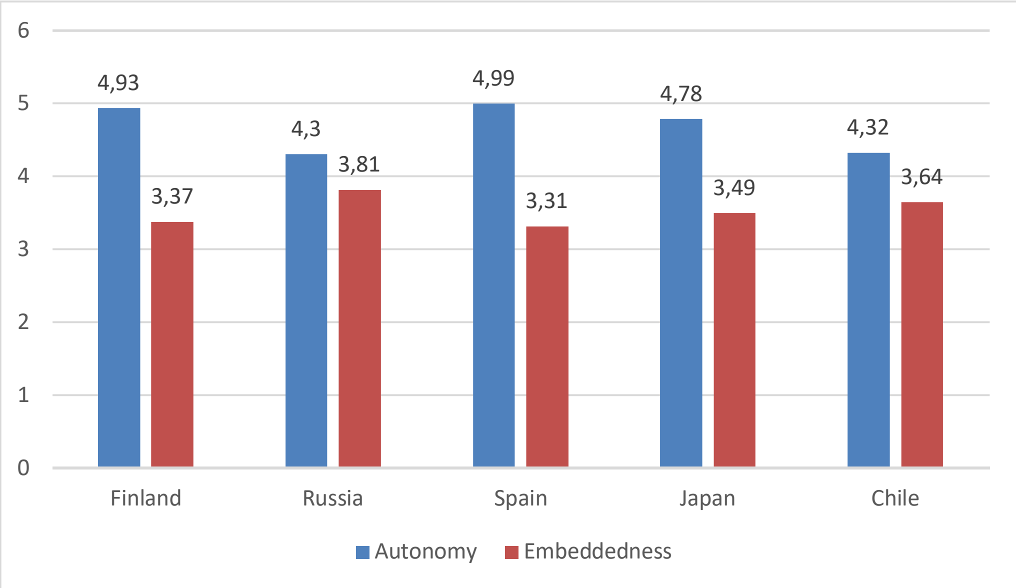


Figure 5 Score's on autonomy vs embeddedness (modified from Schwartz 2006)

This figure demonstrates that according to Schwartz (2006), there are not that big differences between the countries as were in the Hofstede's (1980) dimension of individualism vs collectivism which has been stated to be close to Schwartz's (2006) dimension. All of the countries are more autonomous than embedded according to the scores of the survey, which should indicate small differences between the countries in how groups are formed and how they act.

Besides mere group dynamics, also Hofstede's (1980) dimension of masculinity vs femininity can affect the formation of the group or the negotiation. The women interviewees had noticed that since their companies are working in a field where most are men, it is difficult in some countries to talk real business when you are a woman. They mentioned that especially in Middle East being a women can sometimes be difficult because of not only cultural differences but also religious differences. One good example that was presented is from a highly masculine country Japan:

> *For example in Japan I have in the beginning had big difficulties in getting to the point about business because either I don't meet the people who make the decisions easily or they march [others] to meet me and play time to see whether I really know what I am talking about. They sort of test if I have been sent as a big boss's secretary*

*to see what it is like in Japan or am I really on top of the situation and do I have the power to decide. (Head of Sales, flight training company)*

This example expresses well Hofstede's (1980) dimensions in Japan, collectivism, masculinity and high power distance which affects the hierarchical structure of the buying company, supports group work and strong achieving values. In Japan there are no women in higher positions which also explains the comment above. Other peculiarity is from Russia where women should be very feminine and never appear to be men as this is not tolerated well in Russia and cause neglecting due to women who appear masculine being seen as unpleasant. This could be because the country is more hierarchical according to Schwartz (2006) and wish to maintain the existing roles. According to the women interviewees, Arabic countries are in their own league and there it might be even impossible for women to participate the negotiations as the buyer might refuse to negotiate with a women just because it is uncomfortable for them. This has caused some needed modifications for one company when the head of sales cannot participate in the negotiations due to being a woman. Someone else will then take part in the negotiations even though the ultimate decisions are made by a woman and the buying company also knows that.

Other more visible differences are greeting habits when meeting face-to-face since in some Arabic countries men are not willing to touch woman's hand so greeting habits need to be adapted. The masculinity dimension seems to mostly affect the visible part of the personal selling process and especially the steps of pre-approach and approach since the seller needs to plan the actual negotiations to fit the buyer's culture. Also in Arabic countries the seller's adapt more to these differences than in for example Asian countries that are also seen as very masculine. Collectivism does not seem to affect the adaptation of selling team. Some interviewees mentioned noticing that in collectivistic cultures there typically are more people involved but did not mention changing their habits accordingly.

One interviewee stated that the negotiation team is formed according to buyer's buying team:

*Basically we have the policy in the house that if we go into really big [possible deal]and there in Germany we have "herr doctor doctor" against us, then our CEO can join the negotiation table if needed... he is there to show his own authority and not that much influencing the negotiation which is also part of the game. (Sales director, horticultural company)*

This example also demonstrates that in Germany, as well as in Russia according to other interviewees, the status is more important than the abilities. These two cultures are examples of a personalization culture in which who you are defines what you do.

The other interviewees also expressed that typically in the buying team the people have the same authority as the sales person so the negotiation happens between equals. A few interviewees had noticed that in Russia in larger companies the communication always goes through a spokesperson, but they stated that this is more likely because of the size of the company. Other interviewees had mostly noticed that the situational differences and the organizational culture of the buying company affects the buying team. Only adaptation to buying team's structure and group activities that was noticed was in approach step and closing step when the sales people might include their bosses or the CEO of the company to the process in case the buying team had higher status people involved. Other difference noticed was that in Asia it was more difficult to get to talk to people who make decisions, but this was more difficult adapt to. Some interviewees said that they will have to wait for the decisions so the closing step takes more time and others said that they try to from the beginning show trustworthiness in order to be able to later on talk to the people in charge. In most cases in Asia the interviewees said that they have never met the people who have the decision making power and hence have to convince the gatekeepers and influencers in order to proceed with the process. Majority of the interviewees did say that in first contact situations they do try to recognize the roles inside the customer company in order to spot the people who can decide or influence decisions. This adaptation is hence mostly done already in prospecting but also pre-approach and approach steps.

## 5.4 Arguments, tactics and price

This theme consisted of values and arguments used throughout the personal selling process. The interviewees differed in their tactics in the beginning of the process. Some did more research beforehand and hence focused on pre-approach step in-house whereas others directly contacted the customers in order to see what their needs are. These latter receptive tactics seemed to be most common for all interviewees once in the approach step since all demonstrated willingness to find out what is the customer's need and how could this need be filled. The biggest differences seemed to be how the information about customer needs is found, some said that from information is easier to be found if there are common contacts or the customer is located close by so in these cases not that much information exchange is needed directly with the customer. Two interviewees said that Arabic countries are the most difficult when it comes to finding out information beforehand. Interestingly most interviewees said that besides finding out information about the specific customer's needs, they also seek information about current phenomena in the field and sometimes this overall search of information becomes more important than the specific needs of one customer. Also information about the culture of the buyer or possible target market was said to be researched.

Mostly the tactics used throughout the process did vary between hard and soft, typically hard tactic meaning confident more than aggressive or threat and modest meaning information exchange and problem solving. There was a clear adaptation to Russian culture when it comes to using hard tactics and the interviewees who were doing business in Russia all mentioned using harder and more direct tactics in there, because the counterpart most often was also using hard tactics. One interviewee said that there the buyers demand impossible delivery times on purpose:

> *In Russia there is this mentality that "Okay when would you like this?" and the answer is yesterday... And then when I know that they are going to send an order of hundreds of millions which should be ready in next month and reality is that it takes ten weeks for us to get the raw material. And at least another ten weeks to craft it into a product… I will then after consulting procurement and production confirm the possible delivery time to them which is typically three months. (Head of sales, thumbthack manufacturing)*

In this case the seller needs to use hard tactics explaining the facts about the prices or delivery times, which in his industry works since the buyer does not have the option to buy elsewhere in short notice due to the patented products. The explanation why this works in practice, is most likely due to the special nature of the industry. Overall the tactics in Russia seem to be hard and blunt both on the side of the seller and the buyer.

Overall the use of references was varying strongly and it was depending on the industries on which the interviewed companies operate. Interviewees who have very limited amount of customers who more or less know each other, do not use references since the players of the field already know who is doing business with who. Then again other interviewees strongly rely on references due to the complex nature of the industry and difficultness to prove that the investment is worth it. According to one interviewee, for his company references might even damage their reputation since customers do not want them to supply to their competitors as well. Other interviewee said that they at times try to offer exclusivity for a certain product and a certain target market, meaning a promise that they won't sell to competitors of the buying company. The Argentinean interviewees did not mention at all using references, but there sending samples is more common. This shows more direct tactic in proving that the product is worth buying, but is also only possible in industries where the product samples are possible to make. Lack of trust and institutions in Latin America could be one explaining factor why previous customer cases do not work as a reference as well as clear product samples. These countries are also highly uncertainty avoidant (Hofstede 1980), which increases the need to prove all information to be true before making any decisions.

When it comes to the actual sales arguments and values that the sales people aim to express, quality and security were the most important arguments that emerged. Also the interviewees all said that the main arguments and values mostly remain the same when selling to different cultures, only the emphasis of the arguments and how they are communicated differs. One interviewee though pointed out that since their business is highly technical, their technical arguments and their importance do vary between countries and their technological development. In some markets some technologies are more popular than others, not because circumstances are different but more because some technologies have been campaigned more. In the end it comes to trusting the sales person and the financial benefit. In countries such as the Baltic countries where the technological capabilities are weaker, the people are more confident about their skills and usually do not trust the specialist seller to know about the product or solution more than they do. In these cases it is difficult to argue for the expert knowledge of the sales person and hence the tactic needs no be adapted to more credibility building arguments. Other interviewees also agreed on the need to build credibility and to demonstrate that the product or service is of high quality and will be delivered in a timely manner. One example of this can be seen in the following comment:

> *The other thing is that if we are talking about amounts and quality, our business is that in the summer we produce and in the winter we deliver so the amount of product does not increase during the delivery season. So our way to tackle is that the customer comes on the spot and sees it for his/herself that "yes you have good quality stuff, yes the amounts seem to be those that you say they are". The best argument is that the customer sees is for his/herself and states. (Sales director, horticultural company)*

A few interviewees had noticed that from African countries and other developing nations, the customers are more willing to travel since that is a special opportunity to them considering the lower income in these countries. One explaining factor could be the uncertainty avoidance and the need to see for themselves that the seller does have the product and capabilities. No main differences between cultures could be found in the values used, only the way they were communicated did vary between countries and specific customers.

When talking about the values expressed in the personal selling process, emerged the importance of personal values together with company values. The women interviewees said that most difficult situations in negotiations are when something emerges that is completely against your personal values. One interviewee had also experienced situation where the other party was asking to get a bribe. This happens early on and very delicately but the seller always highlight their professional expertise at this point and maintain their ground. Some customers appreciate this sort of behaviour whereas others do not want to negotiate further, which also shows adaptation from both the seller and customer side. One interviewee also mentioned that Japanese customers typically highly value the Western values and apologize for their way of behaving but that the Japanese way is still always followed instead of the Western process. This gives clear indication that values and actual habits do also differ inside the culture, which means that overall cultural values cannot be blindly followed in the personal selling process.

The next step in the personal selling process is overcoming objections. All of the interviewees mentioned physical attributes typically being the reason for objections and out of this five interviewees mentioned money as the biggest problem, one the quality of the product and one the reliability of delivery. One interviewee also mentioned that some customers are worried that the company is supplying their competitors as well, which can be categorized as psychological resistance. The interviewees all saw objections as a common phenomenon which requires a bit more effort to tackle, but did not express any specific change of tactics when overcoming these objections, mostly the continued with the same tactics as in previous steps. In macho cultures where hard tactics were used the sales people expressed direct denial as a way to overcome objections. These were most common in the case of Russia. For other countries softer tactics were used, most commonly indirect denial in a way that some product elements could me changed or modified to customer's liking or the price could be lowered for this order in case the customer agreed to buy more in the future. The use of concessions in overcoming objections was very common, even though those were used also in the previous steps but not as much. All of the interviewees said that they do tackle the hesitations and objections in a timely manner, meaning that no pass-up or postpone tactics were used.

Interviewees did not demonstrate any specific value window in overcoming objections, rather considered it as a common bump in the road that is handled in varying manners. In this step of the process most of the differences between industries were visible, both in how the objections were seen and also the reasons behind the objections. Some saw objections as non-important because the buyer is still relying on the supplier so they have to buy anyway, some saw objections as a way to explain the whole package that they are offering, meaning clarifying and some interviewees saw the objections also as a way to clarify but also as a way to brand themselves by changing the customer's reference points. At times they can be difficult to overcome, since in B2B when the customer buys something, they integrate that into their processes which can cause unwanted end result. In these cases it can be challenging to decide who has the responsibility over the complaint, since the selling company might have sent the products in perfect conditions and still the combination does not work for other reasons.

In the closing step, a few tactics could be seen to adapt to cultural differences. In general the interviewees said that the agreement closes almost automatically once the previous steps and problems have been taken care of well, but sometimes other problems arise in this step. Some interviewees mentioned that it is a lot easier to close when the contract is clear for all parties involved, but also said that sometimes it is visible that the counterpart is trying to postpone the closing with playing tactics. In these cases one interviewee says she typically explains the final version from the seller's point of view and asks for a response. This is a hard tactic for closing a deal. Others said that there is a need to adapt to this kind of delay and changes in order to get the deal and hence demonstrate softer tactics. Some countries where the closing step needs to be adapted are Germany, where everything is double-checked many times and Southern European countries, where there is more willingness to cause confusion by modifying the contract drafts several times.

Even though the theory aims to close the deal and all actions are directed towards that, a few interviewees explained that from their behalf, the process should continue as long as possible because longer negotiations give them advantage. This is because they learn to know the customer and can prepare for the co-operations. So in these companies the follow-up starts in a way already during the negotiations by preparing for possible disagreements during and after negotiations.

Overall what arose from the interviews was the importance of money and costs. The Finnish interviewees said that they are not the cheapest option on the market but have a good quality-cost ratio. Three interviewees argued for the cost with pure facts about how the price has been formed, whereas other three interviewees argued for the overall cost vs value benefit. The overall cost was demonstrated together with the product's life cycle analysis, offering the customer benefits in long-term. The first price tactic is more aggressive and hard and the latter is softer and aims for common understanding. Also it highlights the long-term orientation that works for these kind of customers and cultures (Hofstede 1980). One interviewee said that they cannot decide the price since they are selling a primary product, so the price comes as a given in the international market. That is also why for her company, pricing is typically not an issue and does not cause hesitations since everyone already beforehand knows the price more or less. Still there are other important aspects when it comes to communicating the price. One interviewee, whose customers are mostly from Russia and Asia said described the following about expressing amounts:

> *Price should always be said, that is one really difficult thing for Finnish people, to express what does this cost. We have a high threshold when it comes to that. Many cultures expect that in the first discussion there is some indication about what would it cost if we became your customer, then you need to be able to quickly react to what is the assumed total cost and for instance give an example. Everything revolves around money. (Head of Sales, flight training company)*

According to some interviewees, Russia, United States and old merchant countries such as Turkey are examples of cultures who quickly want to know the price. Reason for

Russian is that since the currency is different, they have a hard time to exchange the current rates and to understand what the value is in their accounting whereas in Turkey and Middle East the reason for expressing the money is the importance of bargaining. It seems that besides these reasons, also in other markets the price is quickly brought up and according to some interviewees it is done on behalf of the customer. In the beginning the price should be an estimate, example or indicative more than precise and agreed that there is a need to take into consideration the possible bargaining. All interviewees said that the possibility for bargaining needs to be investigated beforehand in order to set the price to a level which can be lowered during the process so that both parties in the end are satisfied. This is important for bargaining cultures since there the price is not as important but rather the fact that the buyer was able to lower it. Once the price is named, it cannot be increased on behalf of the sales person, more it is decreased by the buyer. One interviewee had noticed that Asian countries do not tend to willingly pay extra costs when it comes to importation of the products and they have learned to add these costs to the price of the product already beforehand. He also said that it is important to maintain the same pricing and conditions so the importance of the first price is high.

> *For example a company from India once sent me attachments in an e-mail, an order and a document for the Indian government. I opened the attachments and there was an e-mail of mine that they had saved from the previous year which said that if we pay this and you pay that, and this was probably about 50 dollars. But they sent it to me saying that this is what you said last year so you really have to know how to work with each one. (CEO, nano-bio solutions company)*

Another viewpoint to money was brought by two interviewees who said that they prefer to mention the price later in the selling process due to avoiding being compared to mass production companies and standardized goods. This shows the reference points that the company is trying to create so that the customer would accept the higher price. One interviewee also said that they actively and directly change the reference points for the customers in case they see the price as too high. All of these interviewees still said that with some cultures, the ones that want to know price early on, this is not possible and hence other means need to be used in order to create the convenient reference points. One interviewee said that even though they always try to argue for the low total cost of their product, durability and savings in energy, in Eastern Europe the price orientation is so high that there it is difficult. Another interviewee had noticed the same with Southern European cultures, stating that they can also negotiate prices during the delivery season whereas Central European customers do agree with the price until the end of the contract. This difference can also be due to the difference in long-term vs short term orientation of the cultures which affects their planning (Hofstede 1991) but the importance of money clearly differs between cultures. In Argentinean interviews price seemed to be more important even though they share some of the target markets with Finnish interviewees, so the importance of price might stem from the seller's culture. Still there seems to be overall interest in price and money, because all interviewees demonstrated using harder tactics when it comes to negotiating the price compared to other parts of the agreement. These tactics could be referring to total cost, overall value or reference to competitors.

Finally other money related things that emerged where the differences in currency and payment terms. One interviewee stated that their company always invoices in Euros in order to avoid the currency risk or mistakes made when changing the prices to other currencies. It is hence the responsibility of the customer to change the amount to their own currency. The Argentinean interviewee said that payment terms are more important than the actual price since those can make or break the negotiation in the closing step. She also said that there is less to be done when adapting payment terms compared to other objections from the customer side, which could explain the overall need for hard tactics when it comes to pricing. One aspect of the payment terms is the formation of trust since the payment terms include letters of credibility and other references in order to secure that the customer will pay for the product. The emphasis on payment methods being higher in Argentina than in Finland could again be explained with the high-uncertainty avoidance and lack of institutions to support the business.

## 5.5 Role of the sales person

The importance of having contacts was raised several times in the interviews. These contacts help the sales people to find prospective customers in the beginning of the personal selling process but also help give references about which customers are possibly reliable and profitable and which not. In some industries, there is a common understanding in the industry about who are the most competitive and innovative buyers and with these companies the seller is trying to create stronger relationships by offering co-operation projects and extra service when with others who are low-end, they do the basic. This also shows that companies do screen for their customers to see with whom the relationship could be the most profitable. Here is one example of this screening, though later on in the process:

> *Probably in this business and in any other business many times the customers promise more for example volume or something else with the thought that they will get a better price and that volume brings the advantage of size. It is very tedious when we agree 100 units and the other one takes 10, there is not much room for longer co-operation. (Sales director, horticultural company)*

Some interviewees also stated that the financial information is checked in the beginning to make sure that the customer is able to pay whereas others relied more on the payment terms agreed on this specific contract. These matters are done to minimize the financial risk.

The role of trust was raised in these interviews to be important and it showed especially as a risk minimizing factor as well as a factor that eased the business. Trust is built through making and keeping promises and some Finnish interviewees agreed that Finnish people are very good at delivering the promised. In the beginning trust is built with Nordic values meaning that in addition to keeping promises, timing is important and so is solving any possible occurring problems. In Argentinean interviews also trust was seen as important, but it was more relying on personal level commitment as well as physical evidence from the product. Trust is hence one visible element of relationship building in personal selling process and at least in Finnish culture it is created by expressing trustworthiness and honesty, whereas in Argentina it is created by expressing personal interest and commitment to creating common good. One thing in common with the female interviewees was to show openness to the buyer as a method of building trust.

Other clearly visible theme is in the beginning of the process when the two parties meet and start to get to know each other, meaning the approach step and the first parts of it. According to interviewees the first contacts are of high importance, especially in Russia and in Asia where the first contact is to see whether you can get along with the other party or not. Some interviewees mentioned that with Japanese, Korean and Moroccan customers, the first meeting or first phone call hardly ever includes any business discussion since it is merely used for getting to know the other person. The talk about business begins only in the second meeting. So in the personal selling process, relationships are built through mutual trust that is expressed with different values, getting to know the person you are interacting with, solving the customer's problem and taking ownership of any possible occurring problems. Even though business-to-business is typically categorized as organizations interacting with each other, all of the interviewees mentioned the importance of personal contacts. One interviewee stated that first times and first contacts are always more difficult when you do not know the other person, but for other reasons. The unawareness creates risks for contacting wrong person for wrong reasons which can be eased with thorough pre-approach stage. This might indicate that importance of first contact in personal selling is equal across cultures, but in high power distance cultures and collective cultures, the importance stems from the aim to form a group with similar interests and also to show status. Other dimension that could indicate the importance of first contacts is the uncertainty avoidance, since highly uncertainty avoidant cultures tend to alleviate any risks which are always present when working with a new partner or customer. This risk can also be seen between individual people which further enhances the importance of personal contacts. The following example is from an interview with D:

*It is really common that you start with one person and all of the sudden that person vanishes and is replaced by someone else and everything starts all over again. It is symptomatic in all business that the turnover rate of people in charge is big and you have to quickly accept that this now will start from the beginning and I have to get to know a new person. This person could easily say that "yeah no, I don't want to buy anything from you" or that "this belonged to my predecessor". Then there is this constant conforming and feeling in who are we doing this [business] with. (Head of sales, flight training company)*

Besides the personal contacts making the business flow easier, according to most interviewees, it also helps to solve unpleasant situations when you know the person in the buying company personally. In these difficult cases, the interviewees use soft tactics and try to explain the difficult situation, for example if payment is delayed by also mentioning that this incident does not affect the personal relationship but is strictly business. Interviewees also said that they have noticed in many occasions that the objections or problems with paying could not have been solved without the personal relationship with the other party. This personal relationship also affects the division of labour inside the company since each sales person has their own clients who takes care of all that is related to their business with the selling company. One interviewee gave an example about a Syrian customer who refuses to contact the new sales person in charge and keeps on sending messages to the interviewee even though she has changed the department, because they had such a good relationship together. In this case the company needs to adapt and the communication needs to go through the interviewee in order to maintain the customer relationship.

Four of the interviewees do actively use credibility building statements together with expertise statements, and three others use more expertise building statements. This could be because the three interviewees who use expertise building statements have more individual cultures as their target markets and hence want to express their specialty on each subject matter. There was clear difference in which kinds of bonds were used, for more individualistic countries such as USA and Northern European countries the sales people used more structural bonds and tried to create the relationship based on business. Then again for Asian, Southern European and Latin American countries, more personal bonds were used in order to build trust. Surprising difference was between the Argentinean interviewees where one used strictly personal bonds and the other structural bonds even though Argentina is a collectivistic country. The difference in the culture of their target markets could cause this difference. One interviewee demonstrated that there is a fine line between creating personal relationship and being seen as offering something extra. Even though the company typically tends to fly their customers to Finland to see how the premises are and to prove the expertise and professionalism of the seller, in these cases the business always comes first and the customer is explained that the trip is strictly business even though it might include common dinners etc. This emphasizes the expertise and credibility that the company wants to use in their arguments.

Some interviewees said that they build personal relationships by talking about other things besides work, for example families and hobbies. Also it requires that both parties are open and willing to interact, which one of the Argentinean interviewees had noticed to be difficult with Northern European customers. According to her it is easier to form relationships with Latin American customers due to the similarities in culture, because for them Northern Europeans are cold and unwilling to socialize. Another interviewee mentioned that the topics that are discussed do differ between cultures which hence requires adaptation. The similarities between buyer and seller seem to be the key in building trust and creating the relationship. Respectful and honouring friendship in business does require meetings face-to-face according to the interviewees, which typically happens in approach step.

When discussing about after hours activities such as socializing, most interviewees saw these as important. One interviewee demonstrated this importance of social bonding with the most important customers:

> *We aim to organize once a year a few days' get together where we probably deepen the personal relationships, of course we talk about business as well but that is not the main point. We have used cottages in Lapland, fishing trips, dinners, now we don't have customers who play golf but previously those have been taken golfing, customers who hunt have been taken to hunt wild boars in Estonia. So we have done some digging about what are the interests on the other side and aimed to take advantage of those. (Sales director, horticultural company)*

This example does not only demonstrate the importance of after-hours activities in business-to-business context but a lot of other things as well. First of all, the company adapts its activities to the culture and interests of the buyer hence their needs. This behaviour also reflects that adaptation requires learning and asking questions and bonding on a personal level with the customer. The sales director also explained that sometimes they do surprising things that are against the culture of the buyer and more from Finnish culture, for example take Spanish customers to ice-fishing in Lapland. Hence they do put a lot of attention to the cultural differences of the buyer and seller and try to teach and learn in order to deviate these differences.

There are also differences between cultures in what the after-hours activities are and what their importance is. Most commonly the interviewees had dinners together with the customer companies, and the Argentinean interviewees said that in collectivistic cultures also the families are brought to these dinners. According to one interviewee, there is also overall change in the amount of after-hours drinking and the change is to the direction of decreasing. According to some interviewees this still happens in Russia, but there only men are invited and women are not which is also indication of the high power distance and masculinity in the culture (Hofstede 1980). There also the importance of participating to these events once invited is high since it can directly end the negotiation if the seller does not take part in a dinner with the buyer. Other interviewees had noticed that in Southern Europe, in Portugal and Spain the dinners are more important than in the Nordic countries and also require more time. This might be because of the more collectivistic nature of the culture and the willingness to get to know the other party personally. According to one interviewee a business dinner could last up to 3 hours in Spain, when at the same time in Sweden the dinner is over in one hour. So there is a difference in social activities considering whether it is a sociable culture or not where the buyer comes from. Interviewees who have experience from China mentioned that it is important to try a lot of food and drinks that are typically offered to show respect for the host. This can sometimes be difficult since the conditions are unpleasant and sanitary is not at a safe level but still you have to respect the host and try the food, otherwise they will get insulted. It seems that in collectivistic cultures it is overall more important to share thoughts and common grounds in order to create business as the following example will demonstrate:

> *It happened to me once with the Japanese, we had a negotiation and they came to visit us. We went out to dinner, me and my boss with 3 or 4 Japanese. Then we visited the plant, showed them around the town and all that. My boss likes music a lot so he told to the Japanese that he knows a song in Japanese but does not know what it says, because he does not speak Japanese. So he started to sing this song that he knew in Japanese and the owner of the Japanese company became very happy when another person had sang a song in Japanese and the song said beautiful things… After this we closed the deal very quickly, the business was sorted out and contracts signed only because of this incident. (Sales person, dairy products company)*

This shows relating to the other parties culture that clearly helped in the business as well when it was done at a right moment. Even though the sales person already had had several encounters with the partner and engaged in social activities, this was on such a personal level that it resolved the deal for the collective Japanese. Also the show of knowledge of the other partner's language was seen as an important trust building aspect by other interviewees. According to most of them, it helps when you speak the mother tongue of the buyer.

All except one of the interviewees said that the main focus in their selling is not just to generate sales but to generate customer relationships and one interviewee whose company did not aim for relationship building said that it is because of the nature of the industry that the sales are more project like than aiming for long customer relationships. They still try to create a relationship with some subcontractors but that is in a minor role. So it is not up to them to decide whether they want to be relationship oriented since in the industry it is rarely possible to do several projects with same customers. Still the life cycle of the product is long and during that life cycle the company aims to keep the customer satisfied by guaranteeing quality and service but the aim is not to make the customer account to grow. Judging by these restrictions it is not possible to do relationship marketing to its full extent in this industry.

Despite the fact that this one interviewee does not aim for relationship marketing, he still said together with all other interviewees that instead of selling to a customer, they like to talk about co-operation with the customer. This shows that these companies are more relationship-oriented than transaction oriented together with the use of soft sell tactics that we have already seen. All interviewees also stated that it is the responsibility of the sales person to maintain the customer relationship at the same time as they are trying to get new prospects. All of the interviewees stated that presenting the offering is more about finding a common ground for co-operation than purely presenting what the selling company has planned. This is except for one interviewee who works for such a specific industry that the sales process is more about taking orders than proactively selling and since the industry is based on patents which automatically brings the focus to physical attributes. They still do design and develop the products together with their main customers so they also use problem solving tactics.

The importance of stable customer relationships was brought up several timers, with the interviewees giving examples of 50-80% of their customers being long-term ones. These long-term contracts were seen to be easier for both parties to operate since they are done on win-win basis that benefit both companies. Honesty and caring about the customer were brought up to be the most important aspects of building and maintaining the relationship. Still most interviewees agreed that maintaining a close relationship is easier and cheaper when the customer is culturally and physically close, so not all of their customers are treated equally. Another fact that arose was that more effort is put to potential relationships in comparison to all customers which shows that the scanning for potential customers does continue also after the prospecting step of the personal selling process.

What was seen as an important part of the relationship building and maintaining was the follow-up step of the process. A few interviewees saw the follow-up step as an important for gathering aftersales feedback in order to maintain the customer relationship or getting a new order, whereas others saw it just as a risk for possible complaints that would need to be dealt with. So there were differences in whether the follow-up step is seen as a reactive or proactive way to maintain the customer relationship.

The way how these reclamations are handled differs widely. Some interviewees said that it is not the job of the sales person where most interviewees said that the sales person should take ownership of the reclamation and find an answer that will satisfy the customer. So in most cases it is the job of the sales person to maintain the customer relationship also in this matter. Contact time seemed to be of importance in all the companies and all cases. The other differences might stem from the strategy of the company to either aim for permanent relationship with the customer or aim for single transactions. Some interviewees had noticed cultural differences in the way customers complain. Southern European and Middle Eastern customers first rage that everything is ruined whereas people from Middle-European countries start to approach the problem in a softer way. Also they are more willing to discuss what the problem is and why when Southern Europeans first blame the selling company. Interesting example was given in a Korean reclamation case where the customer refused to accept the answer that they got for the complaint and flew to Finland to meet the seller in person in order to solve the matter at the same time demanding compensation for the flight costs and other expenses. This hard tactic from the Korean side is surprising considering their collectivistic culture with the fear of losing their face. In this case as well as others, the interviewees demonstrated that the more important the customer is, the more important is to provide a satisfying answer which means that the closeness in relationship does also affect the handling of these complaints and their outcome.

In addition that in the beginning of this part there was a mention that it is the job of the sales person to maintain the customer relationship, the sales person has other roles as well. There were big differences between interviewees in this matter. For one interviewee, who is in specialized industry relying on patents, his role is to mostly maintain the customer relationship and to coordinate the flow through the personal selling process. Four of the interviewees had a more similar role about informing customers about their services, retrieving information from the field and acting accordingly in their research and development activities and also sales activities. All interviewees said that the role of the sales person is more dependent on whether the buyer knows the brand or not than cultural differences. One interviewee had noticed that in Baltic countries and elsewhere in Eastern Europe, the technical knowledge is not as good as in the Nordic countries and hence there the seller needs to educate more, whereas other interviewees said that the customer should never be educated because the buyers are typically specialists so the sales people also have to be and treat the customer equally. All sales people were in charge of prospecting new customers and maintaining the current relationships even though other tasks did vary. All also agreed that the sales people need to educate themselves well on the technicalities of the products in order to be able to sell. The Argentinean interviewees put more emphasis on the sales person's role in the follow-up step not as much taking care of the customer relationship as the Finnish interviewees but rather facilitating the deal and all the documentation related to that. This was in order to secure a smooth process until the arrival of the product in order for the customer to be satisfied so indirectly this also relates to the task of maintaining the relationship with the customer. These varying examples of sales people roles might be because of the industries differ, the companies differ or the cultures differ but no clear culture reliant similarities were found.

## 5.6 Synthesis of the findings

The empirical findings show that there are many cultural differences to which the sales people need to adapt, but the different cultural themes have at least different importance in each step of the personal selling process. Starting with the cultural time concepts, the most important differences affecting the process are the speed how it is followed, which affects the whole process and the long-term versus short-term orientation which affects the contracts created in the closing step of the process. Cultural differences did not seem to affect the steps taken in the process but rather just the speed how quickly the next step was taken. In monochromic cultures the whole process was slower and in polychromic cultures it was more clear, structured and faster. Long-term versus short-term orientation of the culture and also of the industry affects the planning scope which means how long contracts are made, so this mostly affects the closing step, but the others remain similar even though the time concepts would differ between cultures.

The cultural differences in communication that mostly affect the personal selling process are differences in formality, amount of communication and the status differences. The differences in how the offering is communicated affects the steps of pre-approach and presentation of offering, mostly because of the formality in the communication differs but also the amount of communication which stems from high context versus low context cultures. In the presentation of offering step also the status affects who is selected as the communicator and whether the meeting needs to be face-to-face or whether it can be organized as a video meeting or similar. Especially in Asia the face-to-face meeting has more importance. The chosen language affects evidently the whole process but especially the closing step because there are countries, for example Russia and China where they need two contracts, one in their language. Also the formality affects the formation of contracts which is typically higher in high power distance countries. Finally the follow-up step is affected by how the reclamations and other post-sale activities are handled which is also highly dependent on culture and communication.

The group activities and formation of groups affects the pre-approach step, presentation of offering and closing step. Typically the selling group is formed to match the buying team, which is found out in the pre-approach step. Also individualism and masculinity are cultural dimension that have an effect in the selection. High individualistic countries choose teams where each has their own responsibility and highly masculine countries prefer men with high status in negotiations. Also if the buying culture is highly masculine, it might be needed to use men as sales persons. Most importantly the groups are selected in the beginning and used in the presentation of offering step and then later it is selected who closes the deal, but otherwise groups are not that important in the personal selling process.

The tactics element of the previously presented theoretical framework can be divided into a few subparts according to the empirical findings. There are used arguments and money-related issues that differ culturally in the personal selling process. Also the needs of the customer are found out differently, but according to the empirical data there were more differences between companies than cultures when it comes to finding information about customer needs so it is left out at this point. Also cultural values were left out as an element, since according to empirical data the same values are used for all cultures, they are just communicated differently and with different arguments. Choosing arguments does affect the first four steps of the personal selling process. Those can be hard or soft, use references or not and aim to build expertise or credibility according to the culture. Macho cultures and individualistic cultures with great power distance are more into hard tactics whereas in collectivistic cultures common understanding is built through soft tactics. It was also found out that highly uncertainty avoidant cultures need more proving so then samples are for example used when possible.

Money related differences arose from the data as a very important part of the personal selling process. There are cultural differences to explaining cost versus value of the product, that is closely linked to hard versus soft tactics, but also it seemed to be important to know when to talk about money and how. This affects the steps of presentation of offering, overcoming objections and closing since the amounts should be expressed in the chosen currency, taking in consideration the possible bargaining of the buyer but also the moment when to talk about money so that the counterpart does not make false judgements based on the quality of the product.

Final element of the theoretical framework was the role of the sales person. According to the empirical data what was more important was trust and personal involvement, since relationship building is the most important task of all sales people in all cultures. Trust building has the most importance in the beginning of the personal selling process but is important throughout. It needs to be adapted according to the buyer's culture in the sense that if the culture if more into personal bonds, it should be personal or in case the buyer is more individualistic and work-oriented, it should aim for structural bonds. In some cultures the most important part of the process is the first contact which could be either in the step of pre-approach or presentation of offering. The trust building also affects overcoming objections and reclamations in the follow-up step so it has different meaning in different steps of the process. Overall the personal selling process in all cultures aims to build relationship with the customer instead of just selling.

In figure 2 the theoretical framework was presented. Now based on the empirical findings it has been modified to match the current state of knowledge. The modified framework is presented in the figure 6.

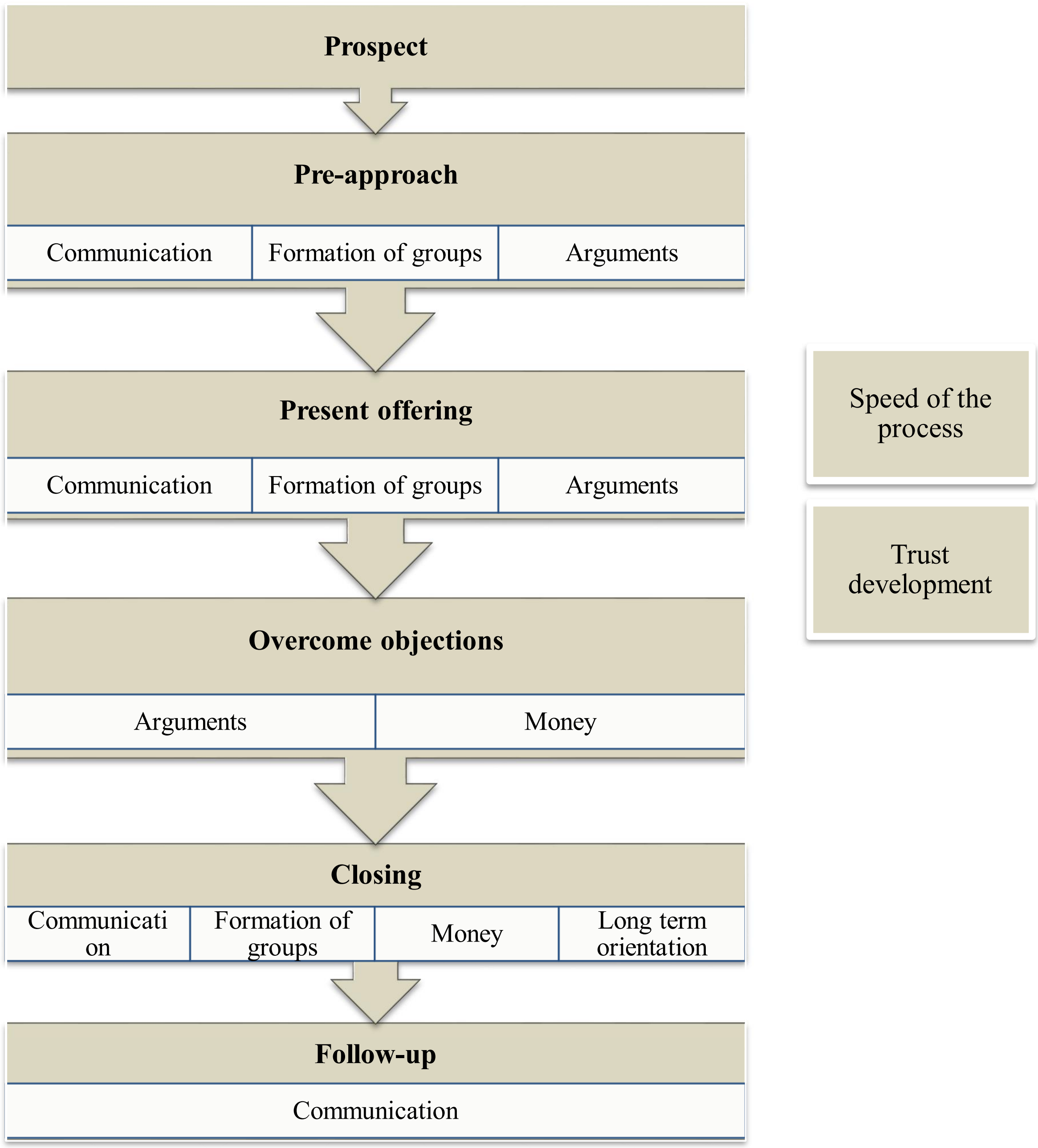


Figure 6 Modified framework for cultural adaptation of personal selling process

The figure shows which cultural elements are visible in each step of the personal selling process and two elements that are visible throughout the process, meaning the time concept that affects the speed of the process and trust development. In prospecting step there are no cultural elements mentioned, because that step did not need cultural adaptation according to the interviewees. The following steps need to be adapted to cultural differences for differing reasons as discussed earlier.

# 6 CONCLUSION

## 6.1 Concluding remarks

The purpose of this research was to find out how the cultural adaptation is done in personal selling process in a tactical level. This was done by analysing the following sub-research questions

- What kind of cultural differences do the sales people take into account?
- How is the sales process affected by cultural differences?
- How can personal selling be adapted?

In the first research question the idea was to find out what are the cultural differences that B2B sales people deal with. In the theory Hall (1976) together with other researchers brought up the concept of time, which was also seen in the empirical data to be important difference. Planning, the scope of planning and multichromical versus polychromical understanding of time seemed to differ across cultures. Also the speed of the process and each step did vary like Weck and Ivanova (2013) and Uzo and Adigwe (2016) brought up, but not always due to cultural differences on national level, sometimes it was due to the size or culture of the buying company. Also the scope of planning differs between cultures (Hofstede 1991), but mostly between industries.

When it comes to communication habits, the theory and the empirical data noticed a lot of differences. The use of language was the most clear implication of cultural differences (Simintiras & Thomas 1998), but formality stemmed from the interviews to be the second most significant and it was following the power distance dimension of Hofstede (1980) and the egalitarianism versus hierarchy dimension of Schwartz (2006). Formation of teams in negotiation did not follow the theory of Hofstede (1980) in relation to individualism dimension, since the collectivistic countries did not use teams in negotiation which was surprising. There seemed to be no cultural differences in the division of labor either, since all interviewees in all scenarios used very individual and depersonalized approach (Hofstede 1980, Usunier 2013, 31-35). On the other hand the female interviewees saw great differences in relation to masculinity versus femininity dimension (Hofstede 1980).

Cultural differences in sales tactics relied on values (Tian & Borges 2011), arguments aiming for hard or soft sell or receptive or expressive influence tactics (Malik & Naeem 2010) according to the previous theory. According to empirical data, there are cultural differences between hard and soft sell tactics that can be used, mostly due to ones working better in one culture than the others. The empirical data was in line with the theory about hard tactics working better for macho cultures with great power distance and individualism and soft sell tactics for more collectivistic cultures and uncertain buyers. The similar differences were found out when overcoming objections, meaning that more direct approach works in cultures that have higher power distance and masculinity and softer approach for cultures that are feminine and/or collectivistic (Arndt et al. 2014). Tactics about expressing and discussing about the price or other money related issues do also differ between cultures, meaning that some like to know the price already early on (Babin, Borges & James 2016), some like to bargain (Ivanova & Torkkeli 2013, Uzo & Adigwe 2016) and that some have false reference points that need to be changed (Sivakumar 2014). Additional issues related to cost rose from the empirical data that was not in the theory. These are the importance of payment terms and currency differences that also vary between countries and cultures.

The final theme of the thesis was the tasks of the sales person, most important of which according to theory (Geiger & Finch 2009) and empirical data was the formation and maintenance of customer relationships. When it comes to cultural differences, cultures did according to empirical data see trust differently (Mintu-Wilmsatt & Gassenheimer 1996), the formation of trust and relationship also varies (Weck & Ivanova 2013) and most importantly the bonds used, whether personal or structural, did vary a lot (Jones & McClearly 2004). Great cultural differences were seen as a liability for the formation of customer relationship (Simintiras & Thomas 1998), even though the relationships were seen as beneficial for both parties in most cases. Major cultural differences were found not in just the bonds used to create a relationship but also the amount and style of activities used for creating social capital with these customers (Braga Rodrigues & Child 2012, Weck & Ivanova 2013). So in this part the empirical data seemed to be well in line with the existing theory. The softer, more sociable and relationship building tactics were more common in collectivistic cultures (Sharma 2016, Chaisrakeo & Speece 2014), whereas task-orientation is more in individualistic countries. Other roles and tasks that were found were not different between cultures but rather industries or companies.

The next research question was about how the sales process is affected by the cultural differences. As seen earlier, the length of the process and the speed varies between cultures, meaning the speed of each step. In some cultures more time is used for waiting or confirming information before moving on to the next step. The amount of information available mostly affects the steps of prospecting and pre-approach which affects how sales people find the prospects. The approach and closing steps are mostly affected by cultural differences due to communication, relationship building and preference for different tactics that vary. Overcoming objections did not vary as much, mostly just the reasons for these objections or their importance. Follow-up step is linked strongly to the relationship orientation of the culture and hence the methods used and their importance does vary between cultures.

Finally the last research question, how can personal selling be adapted, has several answers from the theory and from the empirical data. First of all, the sellers can adapt the prospecting step, meaning where they find the possible new clients by adapting the methods used (Moncrief & Marshall 2005, Jaramillo & Marshall 2004). In the pre-approach step they can adapt the information search to be direct or from third-party references (Jaramillo & Marshall 2004) which is affected by the amount of information available and its reliability (Ivanova & Torkkeli 2013). The actual approach can be adapted in many ways, including the communication style (Adair & Brett 2005), its formality (Schwartz 2006, Hofstede 1980) and amount Uzo & Adigwe 2016). In this step different tactics are used to express credibility or expertise (Arndt et al. 2004), provide references to relieve the uncertainty (Jaramillo & Marshall 2004) and to convince the customer by different means (Malik & Naeem 2010). The seller can mostly adapt these tactics to fit the customer's preference, whether it is task-orientation or relationship-orientation (Bachkirov et al. 2016). The methods for building trust can also be adapted (Jones & McClearly 2004) together with the amount and style of leisure activities in order to create stronger or weaker social bonds (Braga Rodrigues & Child 2012). So there are multiple ways the seller can adapt to the cultural differences that they see in their customer and also the degree and importance of adaptation does vary. Sometimes it is situational, related to the size of the deal for example, whereas other times the seller's cultural values prohibit from adapting more.

## 6.2 Limitations

Brannen (2005) states that the biggest problem in qualitative research is its inability to make generalization of the results. It is acknowledged that also due to the fact that limited amount of companies were interviewed so the findings that are based on this research might also be company specific rather than general practices form the industry. On the other hand, since qualitative research was chosen as the research method, the purpose was not to generalize or produce standard information for the field of study but to rather gain deeper understanding and embrace variety that is existing (Barbour 2008, 30). The amount of conducted interviews defines the dataset which in case that it is too small further limits the possible generalizations made from the data (Hirsjärvi & Hurme 2000, 58). This is why several interviews were conducted for this research, but since the scope is still quite small, it does limit the generalization of the findings. As much data was collected that some general findings could be found so that the thesis is not based on single opinions of interviewees. Still as it turned out, there is great variety in performance between companies, industries and target markets so no comprehensive picture could be drawn in the scope of the research.

The inability to generalize findings to concern whole industries stems from the problem of qualitative research which is that realities are subjective and hence they vary (Barbour 2008, 27-29). So also this research is limited by its participants' view of the world. Another problem when doing qualitative research is whether the person interviewed is telling the truth and whether he/she agrees to this truth later on (Barbour 2008, 27-29). This means that the findings of this research might be time-related and hence would not apply later on when the realities change. The understanding still is that the people interviewed told the truth as they best saw it, meaning that they discussed the matters that were relevant and real for them. The best practices of interviewing were followed in order to provide as much transparency and reliable information as possible.

## 6.3 Practical implications and further research suggestions

The implications for managers and business in practice can clearly be taken from the discussion part. The study found out several cultural themes and differences affecting the different steps of the personal selling process and with different importance, which can help the managers to plan their personal selling process when selling abroad. The study also offers examples of certain countries and their specialties which can help the sales people to prepare for interactions with people from these countries. With the results of this thesis, sales persons can more effectively prepare for cultural differences that might be existing and also beforehand plan their actions accordingly to smooth the personal selling process and guarantee a beneficial result for both parties. The study offers wide information about possible tactics also for countries outside the direct scope of the research.

This research also offers a great base for future studies. The theoretical framework created could be further developed and tested with a quantitative study and larger amount of respondents to verify its applicability. This because the scope of this study remained fairly narrow due to the nature of the master's thesis. Other interesting research topics that stemmed from this research and could not be found in existing literature are the expression of price and other money related issues in personal selling process, especially considering the effect of cultural differences to it. Another possible research could be to conduct the same study again in the future to make sure that the results are not time-related.

# 7 SUMMARY

The study had two parts, the literature review consisting of the previous research about personal selling and especially the personal selling process and cultural differences and the other part consisting of the methodology and discussion of the empirical research conducted. Due to lacking of previous research and non-existing theoretical framework, one was created for this thesis. Also these reasons caused the chosen methodology to be qualitative and more especially interviews. By using interviewing as a research method, first-hand information from sales people currently working in the field could be obtained. The interviewees were chosen based on contacts of the researcher and their knowledge in the subject matter. Interviews were conducted in two countries to cover more target markets and hence increase the reliability of the research and also to make the results more applicable to practice.

Theoretical framework were created based on existing literature. It consists of the six steps of personal selling process as the umbrella term and below are five themes of cultural differences. These themes are sense of time, communication, group activities, tactics and roles of the sales person. The theory and empirical part both included differences between linear and cyclical time concepts and also the planning scope of the culture with referred to short-term versus long-term orientation of the culture. Besides, the different characteristics of the industry caused differences in planning scope as well as the economic stability of both the seller and buyer company's country. Still in total the empirical data showed less importance in adapting to the time differences than the theory indicated. More important was the communication part, which was visible throughout the personal selling process. There were found out to be differences mostly in the formality and friendliness of the communication but also the language used and the language used in contracts. The theme is hence also connected with the relationship orientation of the culture and not just the hierarchy or status level which was not mentioned in existing theory.

When it comes to formation of groups in B2B personal selling process, the theory was more focused on the collectivism and how people feel as a part of a group than the empirical data. The interviewees showed more adaptation to gender differences and masculinity and status of the buyer than the amount of people there were in the negotiations. More people were only used in case special information was needed to be presented, so selling in B2B field seemed to be more invidualistic overall than the culture of the selling or buying company.

Most adaptation was shown both in theory and in practice when it comes to selling tactics and hence also the step of approach and presenting offering became the most adapted step of the personal selling process. It was found out that the sales person needs to understand whether the customer wants to form friends and solve problems or merely buy with the best conditions possible. Values and used arguments were not adapted, more the way these were communicated, hence the previous theory about varying cultural values could not be seen as applicable. What did not stem from the theory was the importance of money and price-related cultural differences. Apart from the important cultural difference of bargaining, also when and how the price is indicated seemed to be important, hence affecting all the steps in the personal selling process. Also the theory of different tactics to overcome objections were not seen in practice since the empirical data showed overall use of soft-tactics when overcoming objections.

When it comes to the tasks of the sales people, the empirical data was found out to be in line with the existing theory about sales people maintaining customer relationships. This happens through building trust by expertise statements and task related communication or credibility building statements and social bonds depending on the customer. In social cultures also after hour activities are used in order to get to know the other party on a personal level. This role is important throughout the process, but most visible in the approach step and follow-up step since close relationship can help ease differences between the parties. Other possible tasks of the sales person were to handle reclamations, present the company in fairs, prospect new companies and inform the customer about new products.

Overall these cultural differences and adaptations to them do not have equal importance in the personal selling process. The steps that are most affected are first of all prospecting due to difference in available information, existing contracts and fairs or other events. Then the approach step is also highly affected by all the five themes since in this step the two parties meet in person for the first time which involves direct interaction between cultures. Likewise the follow-up is affected, mostly due to the differences in relationship orientation and formation of trust. Besides most important themes affecting the personal selling process were sense of time, communication and relationship orientation, where especially trust building and socializing, since there three elements can be seen in all of the steps of the process.

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