

Unit 3 DIFFERENT CULTURES

Text 1. OVERCOMING CULTURAL BARRIERS

BEFORE YOU READ

Discuss these Questions.

- 1 What are the main reasons for a company to start looking outside its domestic market?
- 2 What are some of the problems that might arise when marketing and advertising products in different countries?
- 3 What kind of cultural problems can arise when a company starts working internationally?

READING

Understanding the main points

Read the article on the opposite page and say whether these statements are true (T), false (F) or there is not enough information given (N). Identify the part of the article that gives this information.

1. Most companies only start working internationally when they have fully exploited their domestic market.
2. The best way to enter foreign markets is to set up subsidiaries in those countries.
3. Geert Hofstede was the first person to study the impact of culture on working internationally.
4. Geert Hofstede found that values and beliefs in different parts of IBM across the world were different.
5. The biggest problem when working internationally is getting the marketing right.
6. China is the most difficult foreign country for Western companies to do business in.
7. Cultural diversity can be a benefit as well as a problem.

Understanding details

Read the article again and answer these questions.

1. What is Geert Hofstede's nationality?
2. When did Hofstede carry out his research at IBM?
3. Why was IBM a good company to choose for his research?
4. Why was 'Nova' a bad name for a car in Spanish-speaking markets?
5. Why was the Lexus luxury car less successful in Europe than in the US?
6. What can companies do to be more successful when marketing products internationally?
7. Why do Western companies have problems operating in China?
8. What are some of the benefits of working across cultures?

Barriers can give a competitive edge

by Morgan Witzel

A Sooner or later the growing company will reach market saturation in its domestic market and there will be little choice but to move into overseas markets.

B Most companies, in fact, start dipping their toes in foreign waters long before they reach domestic saturation, to exploit other profitable markets and give themselves experience of working abroad.

C Whether the company is trading abroad or establishing foreign subsidiaries, the issue of national culture assumes great importance. It had been known for years that working across cultures poses special problems, but the work of Geert Hofstede, the Dutch management theorist, in the 1970s and 1980s showed just how diverse and various cultural influences can be.

D Working across a single global company – IBM, a business noted for the uniformity of its corporate culture, Hofstede showed that a huge variety of beliefs and values were present in the workplace, not just between the US, Europe and Asia, but within regions as well.

E Globalization is said to be leading to cultural convergence but, as Hofstede and many later studies have shown, full convergence is still some way away.

F Companies moving into international markets will usually first feel the effects of culture on their marketing and advertising. Every international marketer has their collection of mistakes, where the values of one culture fail to translate into another. Sales of the Vauxhall Nova in Hispanic-speaking countries, for example, suffered because in Spanish, *no va* means “won't go”.

G Other failures are more complex and based on deeper cultural divides. Toyota's luxury car, the Lexus, was an immediate hit in the US, where the luxury-car market had been the pre-serve of a few domestic companies, and the Lexus offered something appreciably different. The Lexus has been much less successful in Europe, where there is a stronger tradition of luxury car-making and strong loyalty to local brands on the part of their buyers.

H Cultural barriers in marketing can be overcome by repositioning brands, changing advertising and product features to suit local sensitivities and so on. Much more difficult to manage are the cultural differences that arise when companies establish multinational subsidiaries and then expect members of different national cultures to work together. This is especially the case with Western companies establishing subsidiaries in China.

I Chinese workers often prefer strong directive leadership to the more democratic model now common in the West. They also rely much more on senior managers to sort out problems, including problems in the workers' private lives. Linguistic confusion is also compounded by quite different attitudes to issues such as ethics, reporting and control, and workers' rights and responsibilities.

J What appears to be a barrier, however, can actually be a source of competitive advantage for those companies and managers that learn to work with cultural differences and benefit from them.

K In terms of managing local subsidiaries, some global companies have learnt to adopt best practices from foreign companies and transfer these into the home market. This kind of cross-fertilization has been taking place between Japanese and Western car-makers for decades, and has led to powerful innovations on both sides.

Understanding expressions

Choose the best explanation for each phrase from the article.

1. ... will *reach market saturation* ...
 - a) start to lose market share
 - b) stop expanding its market share
2. ... start *dipping their toes* into foreign waters ...'
 - a) making the first moves
 - b) carrying out test marketing
3. ... leading to *cultural convergence* ...'

- a) where everything becomes similar
- b) where everything changes
- 4. ... will usually first *feel the effects of culture* on ...!
- a) have cultural problems
- b) be influenced by culture
- 5. ... based on deeper cultural *divides*.
- a) differences
- b) values
- 6. ... to *suit local sensitivities* ...!
- a) adapt to different ways of doing things
- b) try to change the local customs
- 7. 'Linguistic confusion is also *compounded* by ...'
- a) made better
- b) made worse
- 8. ... a source of *competitive advantage* ...!
- a) a reason for problems with competitors
- b) a chance to be better than competitors
- 9. ... to *adopt best practices* from ...!
- a) improve by constant practice
- b) take good ideas from others

Word search

Find words or phrases in the article which fit these meanings.

1. markets in foreign countries (paragraph A)
2. to use fully so you get as much advantage as possible from it (paragraph B)
3. companies that are at least half owned and controlled by another company (paragraph C)
4. causes (a problem) (paragraph C)
5. ideas that you feel to be true (paragraph D)
6. the principles that influence the way of life of a particular group or community (paragraph D)
7. place reserved for one special group (paragraph G)
8. being faithful to a set of beliefs or a country (paragraph G)
9. things that prevent or limit what you can do (paragraph H)
10. changing the way of marketing and advertising a product or a brand so that people think about it in a different way (paragraph H)
11. set up, create (paragraph H)
12. a style of management that shows you are clearly in charge (paragraph I)
13. to solve (paragraph I)
14. the mixing of the ideas of different groups of people, which often produces a better result (paragraph K)

Sentence completion

Use words and phrases from Exercise B in the correct form to complete these sentences.

1. Multinational companies usually have..... in many parts of the world.
2. Some companies are more successful in markets than in their domestic market.
3. Having a presence in a market is the best way to it fully.

4. Sometimes it is necessary to a product or brand in a foreign market in order to avoid offending or confusing people.
5. To sell products successfully in foreign markets, it is usually necessary to local sales companies.

Text 2. Cultural behavior in business

BEFORE YOU READ

to pigeonhole someone	subtle differences in meaning
mundane	to be useful to someone in the future
nuances	arrogant and self-important
to be conceived as	extreme and obvious, often used with 'difference' or 'contrast'
to stand someone in good stead	to be thought of as
to break the ice	boring, uninteresting or ordinary
stark	to do something that helps relieve the tension and get conversation going, especially between people meeting for the first time
pompous	to label someone and put them in a restrictive category

Much of today's business is conducted across international borders, and while the majority of the global business community might share the use of English as a common language, the nuances and expectations of business communication might differ greatly from culture to culture. A lack of understanding of the cultural norms and practices of our business acquaintances can result in unfair judgements, misunderstandings and breakdowns in communication. Here are three basic areas of differences in the business etiquette around the world that could help stand you in good stead when you next find yourself working with someone from a different culture.

Addressing someone

When discussing this topic in a training course, a German trainee and a British trainee got into a hot debate about whether it was appropriate for someone with a doctorate to use the corresponding title on their business card. The British trainee maintained that anyone who wasn't a medical doctor expecting to be addressed as 'Dr' was disgustingly pompous and full of themselves. The German trainee, however, argued that the hard work and years of education put into earning that PhD should give them full rights to expect to be addressed as 'Dr'.

This stark difference in opinion over something that could be conceived as minor and thus easily overlooked goes to show that we often attach meaning to even the most mundane practices. When things that we are used to are done differently, it could spark the strongest reactions in us. While many Continental Europeans and Latin Americans prefer to be addressed with a title, for example Mr or Ms and their surname when meeting someone in a business context for the first time, Americans, and increasingly the British, now tend to prefer using their first names. The best thing to do is to listen and observe how your conversation partner addresses you and, if you are still unsure, do not be afraid to ask them how they would like to be addressed.

Smiling

A famous Russian proverb states that 'a smile without reason is a sign of idiocy' and a so-called 'smile of respect' is seen as insincere and often regarded with suspicion in Russia. Yet in countries

like the United States, Australia and Britain, smiling is often interpreted as a sign of openness, friendship and respect, and is frequently used to break the ice.

In a piece of research done on smiles across cultures, the researchers found that smiling individuals were considered more intelligent than non-smiling people in countries such as Germany, Switzerland, China and Malaysia. However, in countries like Russia, Japan, South Korea and Iran, pictures of smiling faces were rated as less intelligent than the non-smiling ones. Meanwhile, in countries like India, Argentina and the Maldives, smiling was associated with dishonesty.

Eye contact

An American or British person might be looking their client in the eye to show that they are paying full attention to what is being said, but if that client is from Japan or Korea, they might find the direct eye contact awkward or even disrespectful. In parts of South America and Africa, prolonged eye contact could also be seen as challenging authority. In the Middle East, eye contact across genders is considered inappropriate, although eye contact within a gender could signify honesty and truthfulness.

Having an increased awareness of the possible differences in expectations and behavior can help us avoid cases of miscommunication, but it is vital that we also remember that cultural stereotypes can be detrimental to building good business relationships. Although national cultures could play a part in shaping the way we behave and think, we are also largely influenced by the region we come from, the communities we associate with, our age and gender, our corporate culture and our individual experiences of the world. The knowledge of the potential differences should therefore be something we keep at the back of our minds, rather than something that we use to pigeonhole the individuals of an entire nation.

Choose the correct answer:

1. The British trainee felt that the people who want to be addressed as 'Dr' must be ...
 - hard-working.
 - conceited and self-important.
 - conceited and self-important.
 - from Germany.
2. If you are not sure how to address someone, you should ...
 - use the title you see on their business card.
 - make your decision based on cultural stereotypes about their country.
 - address them the way you'd like to be addressed.
 - ask them what they would like you to call them.
3. There might be a misunderstanding if an American smiles at a Russian business associate because the Russian might think that the American is ...
 - being fake.
 - challenging their authority.
 - trying to break the ice.
 - disrespectful.

4. The Japanese, South Koreans and Iranians might interpret a smiling face as being ...
 - friendlier.
 - less open.
 - not as intelligent.
 - dishonest.
5. Americans and British people sometimes use eye contact to show that they ...
 - like the speaker.
 - are really listening to what is being said.
 - are honest and truthful.
 - are attending to every need of the speaker.
6. The last paragraph warns the reader not to ...
 - engage in international business.
 - let national cultures shape the way we behave and think.
 - let miscommunication damage our business relationships.
 - overgeneralize using our knowledge of cultural stereotypes.

Are the sentences true or false?

1. When doing business internationally, there is a possibility that we might misinterpret what each other is saying even though we are speaking the same language.
2. To the German trainee, having a PhD is equivalent to being a medical doctor.
3. Sometimes, the smallest things can trigger a huge emotional response in us, especially when they are things we are not used to.
4. In the research done on the perceptions of smiles, people from different countries were asked to rate photos of smiling faces and non-smiling ones.
5. Making eye contact can be interpreted in different ways in different cultures but is almost always a positive thing.
6. The writer recommends keeping possible cultural differences in the forefront of our minds when doing business with people from different cultures.

What practices have you encountered that seemed strange or even inappropriate to you?

Text 3. WHAT IS A BUSINESS TRIP?

Business travel is one of the most stable working and highly profitable part of world tourism, and one of the youngest, too. Business travel or MICE (abbreviation from Meetings / Incentive / Conferences / Exhibitions) became a separate branch of tourism business in 1970s. First, business travel was considered by businessmen only as opportunities to have a good rest at the expense of the government or the company you work for. The situation changed greatly after 1998 when the number of entertaining trips has lowered and at the same time the number of corporate events has grown. MICE development in Russia is highly dynamic as well as in the rest of the world, and according to the prospects the profitability of this branch of tourism will grow up to \$2 billion a year by 2030.

The demand structure of MICE today is: 75 % is individual business travel, intensive trips, conferences and exhibitions are 10-13 % each. The figures are approximate, of course; exhibitions and conferences are usually combined together in one event, and intensive programs usually supplement other types of business travel.

Meetings

Most travel agencies offer businessmen going to a conference, exhibition or negotiations only standard package of visa support, air tickets, accommodation and transfers. As a result, those businessmen, who want their trips to be efficient, prefer dealing with specialized travel agencies working in the sphere of MICE tourism. Such travel agencies deal with corporate clients. Agencies can provide the corporate client with full package of business and travel services including dozens of meetings, visits to enterprises and professional exhibitions.

The biggest American travel agencies working in the sphere of MICE tourism are American Express Travel Services, Carlson Wagonlit Travel, BTI. The demand on business travel is growing rapidly. Numerous workshops, professional exhibitions, journals and websites devoted to MICE support this growth.

Incentive

Incentive tourism means travels financed by the company to give an incentive to employees as the appraisal of their work, to facilitate the teamwork and to stimulate work motivation. World annual turnover of incentive tourism exceeds \$8 million, 80 % of which is spent on transport, accommodation and foods services, and only 15 % is spent on sightseeing and entertainment programs. Throughout the world 70 % of all incentive tours are to 23 Europe, 10 % are to the USA thought 60 % of all incentive tourists are Americans, and 15 % of the tours are to the South East Asia. The average duration of an incentive tour is from 3 to 7 days.

Incentive tours are becoming more diverse, both in the choice of the countries and in the tour programs. Some intensive tours are aimed at business activities or interests of the tourists, i.e. historical or wine tours; there are also separate “mass” tours for ordinary employees and VIP programs for senior management. The latter prefer adventure tourism or even extreme tourism such as auto rallies or balloon flying.

Recently senior management of many companies prefers investing money not into traditional entertainment incentive tours but in team-building tours. In this matter travel agencies work together with business consulting companies, professional psychologists, etc. The example can be so called “rope-courses”. They last for 3-4 days and are comprised of different activities including sport, adventure and extreme. The emphasis of the courses is placed not on sport abilities of the participants, but on effective teamwork, problem solution, leadership skills development and behavior adjustment to different situations and sudden changes. Some travel agencies called incentive houses specialize at incentive tours only.

Useful Travel Tips for the Busy Commuter

Learning everything you can about travel is a great way for beginners to get started. Keep reading to learn how you can plan your trips wisely, maximizing your enjoyment. You must plan ahead and allocate time for fun; that is why it's to your advantage to learn things from these tips.

Plan ahead if you want to travel by air. If an airport is in a major city, it can be quite difficult to get to, especially during rush hour when traffic is at its heaviest. Always have your suitcase packed the night before your flight. Ensure that everything is planned out and packed before your trip. Missing your flight can be a very devastating experience.

Before packing, make a list. Some time before your trip, write down everything you need to bring with you. If you get in a rush and have to pack right before you leave, this list will ensure that you have everything that you need, and that you do not forget something.

Be aware of certain food allergies when going to a foreign country in order to avoid bad liaisons. If your food allergy is particularly bad, make sure to express this in their language. This will give you the ability to alert your waiter or waitress of the foods that you have an allergy to so that they can be kept out of your meals.

When you are going to some type of attraction, print online tickets in advance. You will generally pay a nominal fee for this service, but you won't have to wait in ticket lines when you arrive. Some places have time blocks that you can enter. This is another good way to avoid lines.

Keep your most important information and items close to you at all times. If you are carrying a purse, be sure to have it tucked neatly under your arm. Do not purchase bags that have easy open zippers and compartments. The easier the bag is to open, the more likely someone can slip away with something while you are distracted. Keep these things in mind when you choose a bag for your trip.

Give your bellhop and maid a tip. Tipping the bellhop around \$1 per bag and the housekeeping staff around \$2 to \$5 per day is certainly not excessive. This will increase the quality of service in your hotel and make your stay more enjoyable.

Travel can be a great educational tool for you. Even developing countries can be perfectly safe if you plan carefully for safety, and it's an awesome learning experience for your children. The best way to foster tolerance for other cultures in your children is to spend time in other countries with them.

1. Answer the questions.

1. How often do you travel by air, rail, road or sea?
2. What do you enjoy about travelling? What don't you enjoy?
3. Put the following in order of importance to you when you travel.
 - a) Comfort
 - b) Safety
 - c) Price
 - d) Reliability
 - e) Speed
4. Does the order change for different types of travel?

2. Write a report on the following topics:

1. Technology travel tips for business travelers.
2. Tips for business travel abroad.
3. Peculiarities of travelling to different countries.