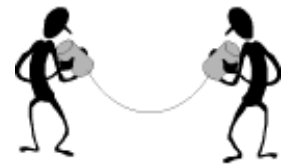
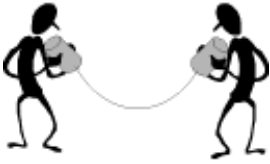


FAST FACTS 2007



INTERCULTURAL COMMUNICATION

Any company involved in international business must consider the complexities of intercultural communication. It is essential to know your potential customer, and understand their cultural influences, before you can make them your actual customer. Failing to understand differences between you and your foreign partner can doom your business deal before it even gets started.

EuroDisney offers an example of the importance of intercultural communication. Because Disney was so successful opening theme parks in Japan and the U.S., it assumed that building a EuroDisney theme park would be just as easy and successful. It turned out that Disney made some key “cultural” errors. The problems began before any buildings were even built. Disney offended the French by using lawyers to negotiate construction and other contacts. In France, lawyers are only used as a last resort in negotiations, so this implied mistrust on Disney’s part. Disney also instituted a strict dress code for employees based on the U.S. parks dress code. However, rules about facial hair, fingernail length and appearance were perceived as an attack on French style and culture.

Disney’s mistakes not only offended the French people, they reduced potential profits. Disney assumed that Europeans would not eat sit-down breakfasts, which is true in their everyday life. However, Europeans on vacation do enjoy sit-down breakfasts. This mistake led to crowded dining rooms and unhappy customers. Disney also followed U.S. norms and banned the sale of alcohol at the theme park. This was an insult in a country where the consumption of wine with a meal is the way of life. Disney had counted on souvenirs in France selling as well as they had in Japan and the U.S., but Europeans are not as prone to such spending sprees while on vacation. Fortunately, Disney made the cultural adjustments that were necessary and EuroDisney is doing much better today than when it first started. (Mitchell pp.2-3)

INTERCULTURAL COMMUNICATION FROM VIRGINIA

Challenges with intercultural communications don’t only arise when Virginia companies travel overseas. These challenges can occur right here in your own backyard. Any company with a website or an email address may be the recipient of international inquiries. Do you and your employees know the best way to respond to a written inquiry from Japan? What is the best way to respond to a faxed inquiry from Saudi Arabia? What is appropriate email etiquette in Sweden? Below are some helpful tips.

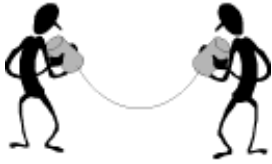
BASIC INTERNATIONAL TELEPHONE ETIQUETTE

Be sure to know what time it is in the country/city you are calling.

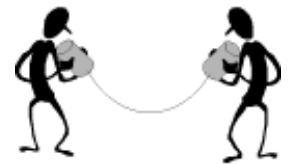
Clearly state the purpose of your call.

Use simple English. Don’t use complicated sentences or slang and speak slowly and distinctly. If you have to leave a message, make sure it is clear. Have the message-taker repeat the message and your phone number to make sure it is correct. Be sure to include the country and city codes that the international caller will need.

Remember that for the person with whom you are speaking, English may be a second, third or fourth language, so be patient and understanding. (Mitchell p.75)



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INTERCULTURAL COMMUNICATION

BASIC INTERNATIONAL FAX ETIQUETTE

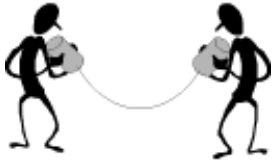
- Limit the number of pages you send. Anything over 5 pages can be annoying and is costly.
- Treat a fax like a formal business letter. Spend time and consideration crafting it.
- Include a cover letter with the number of pages, the date (written out to avoid confusion, i.e. January 23, 2003, not 01-23-03), the name of the recipient, your name, telephone number, fax number and email address.
- Many companies turn their faxes off overnight, so keep in mind the time difference.
- Confirm that your fax arrived with a phone call.
- Be aware of local laws which may make faxed documents binding legal documents.
- Keep in mind that in some countries, faxing is still expensive, and you may not get a reply by fax. (Mitchell pp. 107-109)

BASIC INTERNATIONAL EMAIL ETIQUETTE

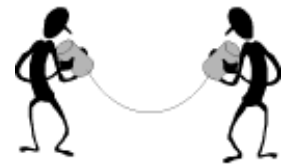
- Treat email like a business letter. Don't be tempted to let your communication become too casual or informal.
- Use the spell check and read the message for errors before you send it. An email is a reflection of you and your company.
- Include all of your contact information in your sign-off, including your international dialing code.
- Always remember to adjust the date and time if they are included in your message. Dates should be clearly written out and the time zone should be specified. For example: 1/10/04 means October 1, 2004 in many parts of the world. You are better off writing January 10, 2004.
- Similarly, identify which currency you are using and the exchange rate.
- In email, like all intercultural communication, be aware of the rank and position the person or persons to whom you are sending your email.
- Be careful with attachments. Verify that the person receiving your email is able to open the attachment.
- Be aware of time differences. If you send someone a business email during their evening, you may not get a response the same day. (Mitchell pp. 107-109)

HOSTING FOREIGN VISITORS

- While your visitors are in the U.S., the cultural/etiquette "rules" of the U.S. apply. However, your guests will appreciate it if you show some understanding of their culture. (See the section on "Know The Basics About Where You Are Going" below)
- Try to make your guests as comfortable as possible. Keep in mind any major differences in mealtimes or food preferences.
- Remember that there may be cultural and linguistic misunderstandings. Try to resolve these issues without creating an uncomfortable situation.



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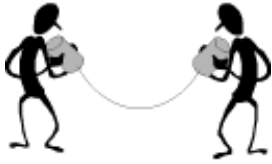
INTERCULTURAL COMMUNICATION

TRAVELING OVERSEAS

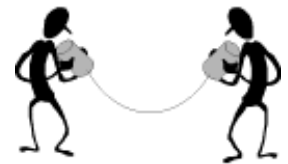
- Mary Murray Bosrock is the author of a series of books on doing business globally. In each of her books, she lists what she calls the “Ten Commandments of Going International.” Here is what she advises:
- Do your homework!
- Ask, look and listen. You will be amazed what you learn.
- Try! It is better to try and make a mistake than not to try at all.
- When a problem develops, assume miscommunication was the cause.
- Be patient. It generally takes much more time and effort to accomplish your goals in another country and culture.
- Assume the best about people and their actions. Most people do what seems appropriate to them based on their learned values, habits and traditions.
- Always be sincere. It shows!
- Keep your sense of humor.
- Make people like you. Likeability is the “magic wand.” If people like you, they will forgive just about anything your might do wrong.
- Smile!
(Bosrock, *Europe* p.41)

There are some simple facts you should learn about the country or countries you are visiting that will make your visit more enjoyable and will help you as you interact with your overseas colleagues. You should know:

- **The capital** of the country or countries you are visiting.
- **The type of government** - Monarchy, representative democracy, etc.
- **The head of government** - The President, Prime Minister, King/Queen.
- **The correct name of the people** - Are people from Singapore Singaporites or Singaporeans? (They are Singaporeans)
- **The languages spoken** - In many countries there are multiple languages. For example, Switzerland has 3 official languages (German, Italian, and French).
- **The type of food** - Since you will probably be introduced to some native cuisine, it would be nice to know what to expect ahead of time.
- **The national holidays** – It’s key that you don’t plan a trip when no one is at work.
- **The regional differences** - Many countries have very strong regional differences. A good example is Canada, which has a French speaking region (Québec) with a very strong regional identify. Failing to recognize this could endanger your business deal.
- **The ethnic issues** – Learn ahead of time if there are different ethnic groups in the country and if differences are significant. For example, do not refer to your Northern Irish counterpart as English or you will have just stepped into a 50 year old conflict!



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INTERCULTURAL COMMUNICATION

TRAVELING OVERSEAS (cont.)

- **The view towards women in business** - This is important not only if you are a woman but also if you have businesswomen traveling with you, or if you anticipate that the foreign client will need to interact with a female colleague.
[See VEDP Export Issues FastFact-Women in International Trade](#)
- **The current events** - Take a few minutes to find out what is going on in the country. Has international trade or free trade been an important issue lately? Is there an election coming up? Is a big film coming out soon? This will give you something to talk about (although political issues should be avoided) and an idea of what is going on in the country.

DO YOUR HOMEWORK: KNOW THE BASICS ABOUT CULTURE

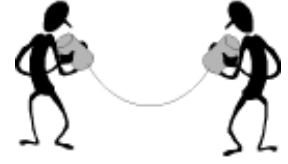
Before you travel, you should also spend some time learning about the culture you will encounter. This will give you a good idea of what to expect and the best way to conduct yourself. Furthermore, it will impress your foreign client. For more information on specific cultures, see additional resources section of this document.

[See various VEDP Export Regions FastFacts](#)

Here are some of the topics you should research:

- **Greetings** - Should you expect to bow, shake hands, embrace or kiss? All of these are standard greetings around the world.
- **Titles** - How should you refer to your counterpart? In many countries, professional titles are very important. For example, in Mexico if you were introduced to *ingeniero* Garcia, you should refer to him as *ingeniero*, not *Señor* or Mr. Garcia. Some general rules are always use the person's title or last name until you are told you can use their first name and always use a higher title if you are unsure of what title to use. (Bosrock, *Mexico/Canada* p. 102)
- **Body language** - including:
- **Personal space** - For example, Turks have a very small area of personal space and may stand uncomfortably close to you. (Bosrock, *Europe* p. 440)
- **Eye contact** - In parts of Asia, direct eye contact is considered rude. Not looking you in the eye and being silent during a presentation may be interpreted as disinterest in the United States, but in parts of Asia this means your presentation is going well. (Bosrock, *Asia* p. 96)
- **Smiling** - Smiling inappropriately can get you into trouble. Smiling at a French person may make them think you are mocking or flirting. (Mitchell p. 66) However, smiling is very important when doing business in Colombia. (Bosrock, *South America* p. 269) It is important to know how your smiles will be taken.
- **Offensive gestures** - Gestures that are innocent in the U.S. are not so innocent everywhere. The thumbs up gesture is rude in Australia and having your hands in your pockets is considered rude throughout Europe. (Mitchell pp. 87-88)
- **General manners and etiquette** - There are some behaviors which may seem normal to you but may be quite offensive to your hosts. For example, whistling in public is rude in India. (Bosrock, *Asia* p. 266)

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INTERCULTURAL COMMUNICATION

- **Business manners and etiquette** - You should know how to conduct business correctly in the foreign culture. A business meeting in Finland will not start out with small talk but may have 2 to 3 minute pauses which should not be interrupted. (Bosrock, *Europe* p. 194)
- **Level of formality** - The U.S. is a relatively informal country. Canadians for example, may refer to their coworkers by their first names in private but always use last names in public.
- **Dress** - What will be the appropriate business attire? For instance, for men in Brazil, a three piece suite may indicate an executive while a two piece suit could indicate an office worker. (Bosrock, *South America* p. 212)
- **Gifts** - Gifts can be a very important part of doing business. In Japan, gifts are very important to doing business; in Latin America gifts are significant but considered more of a courtesy and in Australia gifts are not at all important to doing business. (Mitchell p. 124)
- **Timeliness** - Are your hosts going to be on time to meetings? Are they going to treat deadlines with the same amount of importance as you do? Different cultures have different concepts of time and punctuality. It's good to understand these differences in advance so you can adjust for them.
- **Tipping** - The guidelines for who gets tipped also vary by country. In restaurants in Ireland, for example, a service charge is typically added to the bill, and so a tip is not necessary. (Bosrock, *Europe* p. 275)
- **Eating and Toasts** - Chances are you will have a meal with your business partners in their country. Make sure you know the appropriate manners for eating and toasting. If you are visiting Portugal, you will be toasted as the guest of honor and you will be expected to reciprocate with a toast of thanks. (Bosrock, *Europe* p. 269)
- **How are decisions made** - You may have assumed that the individuals who have the authority to make decisions are at your meeting, but in reality you may be meeting with people who are not the decision makers. Or you could encounter something like the Italian model where decisions are made before the meeting ever starts. (Bosrock, *Europe* p. 275) Knowing this structure can give you an advantage during your visit.
- Virginia Cutchin of Transition Success Consulting offers the following advice for doing business in China. To succeed in and with China you must:
 - know yourself first – your objectives, your strengths, your weaknesses, your cultural heritage – from a non-judgmental, non-defensive perspective;
 - learn how your unique make-up might interact – positively or negatively – with your Chinese colleagues;
 - look for opportunities to learn more about that interaction so you can manage it: ask questions and listen to the answers with culturally-sensitive ears;
 - set personal, professional and organizational goals;
 - recognize that it's all the little details that make up that big picture;
 - gather information endlessly and purposefully;
 - ask seemingly meaningless and irrelevant questions;
 - spend time learning about the people and places you find yourself connected to;
 - focus on immediate needs but future consequences;
 - be patient;



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INTERCULTURAL COMMUNICATION

- treat nothing as coincidence;
- treat nothing as irrelevant;
- be brutal and absolute in your determination to succeed;
- be cautious and shrewd;
- learn to see China through “Chinese eyes.”
- JUST KEEP TALKING.
- Be prepared to see China as a source of information, energy, exotic food, discovery, frustration, disappointment, growth, strange music, and an opportunity to give as well as get, and you will “succeed” in ways that you never thought you would. There is more than one way to profit from an association with China. Don’t deprive yourself of enduring the changing richness that is the true China, and you will reap more benefit than you could have ever imagined.

RESOURCES FOR CULTURAL INFORMATION

Books:

Put Your Best Foot Forward Series - As previously mentioned, Mary Murray Bosrock has a series of books called “Put Your Best Foot Forward” that can provide you with easy-to-read information on the country you are researching.

Kiss, Bow or Shake Hands: How to Do Business in Sixty Countries by [Terri Morrison](#), [Wayne A. Conaway](#), [George A. Borden](#), [Hans Koehler](#).

Travel Guides - A good travel guide will also give cultural information. However, it may not be specific to doing business in a country.

Internet:

Culturegrams - The website www.culturegrams.com has country profiles available in PDF for about \$4.00. These profiles are concise and informative.

WorldBiz - The website www.worldbiz.com has cultural and business reports on an extensive list of countries available for affordable prices.

World Travel Guide - The website www.worldtravelguide.net also has information on a broad range of countries.

CRG-online.com - Subscription service. www.crg-online.com

Other Resources:

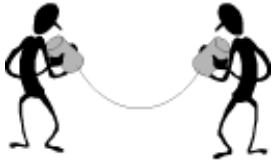
Embassies and Consulates - The embassy or consulate of the country you are visiting may have good information on the country and the culture. Find embassies at www.embassy.org.

American Chamber of Commerce - The American Chamber of Commerce in the country you are visiting may be another good source of information.

Locals - If you know someone who is a native of the country you are visiting, you may consider asking them for their insights.

Cultural Communication Specialists-

- **Transition Success, Inc.:** www.transitionsuccess.net
- **People Going Global:** www.peoplegoingglobal.com



INTERCULTURAL COMMUNICATION

VEDP TRADE EVENTS

For a complete listing of VEDP's international trade events, please visit the "Events" tab on our website: www.ExportVirginia.org

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