Managing cultural differences effectively is an important component of managing interpersonal interactions (and often ongoing relationships) appropriately with clients in foreign cultures, and is critical to customer satisfaction and hence business success. The single most common reason for failure to obtain contracts abroad is due to an inattention to cultural factors, not because there was a lack of opportunity. Remember that 60 percent of all communication is composed of nonverbal cues (such as eye contact, physical contact, gestures, appropriate interpersonal distance, formality of communications, pacing and intonation) which are culturally conditioned. Sensitivity to cultural differences is critical to service success.

Cultures differ in a number of ways that are relevant to service delivery (see Box 1). The core difference lies in whether the primary emphasis is on the quality of interpersonal relationships or on efficient task execution. Most developing and transitional economies focus on the working relationship while economies like the U.S.A. and northern Europe are sensitive to time efficiencies. Cultures also differ in terms of the degree of egalitarianism, attitudes towards risk, the importance of individual preferences, and a host of other variables.

**Box 1: Ways in Which Cultures Differ**

- **Communications style**, or the degree to which people “speak their mind” rather than imply what they mean indirectly.
- **Activities focus**, or the relative emphasis on strengthening interpersonal relationships versus completing tasks efficiently.
- **Supervisory relations**, or the extent to which a supervisor takes responsibility for a subordinate.
- **Feedback style**, or whether criticism is received and provided openly and directly or privately and in a manner to “save face.”
- **Degree of control**, or the extent to which people believe that they can influence their own destiny or change their environment.
- **Time orientation**, or the extent to which people are focused towards the past (tradition) or the future (unknown).
- **Technology use**, or the degree to which people value the use of (information) technologies to expedite services.
Power distance, or the extent to which roles are formalized and differentiated from each other, with one extreme being hierarchical and the other being egalitarian.

Risk aversion, or the degree of comfort with risk taking (with risk avoiding being the other extreme).

Individualism, or the balance between individual preferences and collective or group concerns.

To prepare yourself for a successful export marketing trip or to work effectively in a multi-cultural domestic market, try some of the general strategies below to accommodate to the “normal” nonverbal patterns of the culture so that you will be less likely to misinterpret cues:

a) Check to see if there are any staff in your firm who have lived and worked in the country. If so, use them as a “cultural” resource.

b) Seek out ways to experience persons from that culture interacting with each other and especially observe the non-verbal interactions among them -- how close they stand to each other, how much they touch non-family members, how much eye contact they maintain, the pacing of their interaction, etc.

c) Spend time with persons from that country learning about their culture and, most particularly, about what makes them feel comfortable with you.

d) Hire someone familiar with the culture to coach you in the nuances of business etiquette.

e) Consider hiring as a “trainee” a student from that country who is studying at a university in your country. If things go well, that person can be an excellent referral source and advocate once they return home.

Investing in some form of cultural coaching can enhance your success in export markets as well as in multi-culture domestic markets.