

Cultural Adaptation in Cross-National Buyer-Seller Relationships

- a study of Norwegian Sellers and Russian Buyers of Seafood

Gøril Voldnes ^{a*}, Kjell Grønhaug ^b

^a Nofima, Norwegian Institute of Food, Fisheries and Aquaculture Research, Muninbakken 9-13, PO Box 6122, 9291 Tromsø, Norway, phone: +47 77629118, fax: +47 77629100

^b Norwegian School of Economics and Business Administration (NHH), Helleveien 30, PO Box 102, 5045 Bergen, Norway, phone: +47 55959460, fax: +47 55959100

* Corresponding author: Gøril Voldnes. E-mail: goril.voldnes@nofima.no

Gøril Voldnes, PhD University of Tromsø, Faculty of Biosciences, Fisheries and Economics, workplace: Nofima, Norwegian Institute of Food, Fisheries and Aquaculture Research.

Kjell Grønhaug, Professor at NHH, Norwegian School of Economics and Business Administration.

Abstract

Purpose – The purpose of this paper was to investigate how buyers and sellers in cross-cultural business relationships manage cultural differences to make business relationships function and succeed. Failure to take specific cultural issues into account may lead to the failure of business ventures crossing national borders. Understanding and managing cultural differences are of critical importance to succeed in today's global business market. Adapting to each other's cultures is one way of managing cultural differences between business actors.

Design/methodology/approach – A qualitative, explorative approach examining both sides of the exchange dyad in order to obtain insight into adaptation as perceived by both the buyer and the seller.

Findings – The results of this study indicate that it is mainly Norwegian sellers who adapt to the Russian culture and way of conducting business. This is explained by power asymmetry among the partners and cultural barriers and lack of cultural sensitivity from the Norwegian partners. Still the business relationships function well.

Practical implications – Knowledge of and applying strategies for managing cultural differences should be helpful for business managers engaged or planning to engage in business ventures with Russia and Norway – especially for those doing so for the first time.

Originality/value – The paper provides new and important information about West-East business relationships and how to manage cultural differences in cross-cultural business relationships. The paper shows that business relationships can function well in spite of the absence of some factors previously found to have detrimental effects on business relationships. Additionally, the paper provides an investigation from both sides of buyer-seller dyad, which is a limitation in previous studies of adaptation.

Keywords: Buyer-seller relationships; Relationship quality; Managing of cultural differences; Adaptation; Russia; Norway

1. Introduction

A key challenge of conducting business across cultures is understanding cultural differences (Phan et al., 2005). Indeed, it is important to not only understand and acknowledge cultural differences but also know how to handle them. One way is to adapt to the norms and behaviors of the other party's national culture (Hall and Hall, 1987; Kale and Barnes, 1992). This paper examines adaptation in buyer–seller relationships as a way of managing cultural differences in interactions between Russian buyers and Norwegian sellers of seafood.

Willingness to make adaptations implies that firms in a relationship understand the need to modify and adapt their products, routines, and business conduct to function better vis-à-vis each other (Haakanson and Snehota, 1995). Achieving increased congruence between culturally different partners has been found to improve the effectiveness of international business relationships (Parkhe, 1991). Adaptations are important, as they signal commitment to the relationship (Haakanson, 1982), which is important for both the quality and longevity of buyer–seller relationships (Mehta et al., 2006). In fact, formation of effective and successful partnerships has been found to require mutual adaptation (Mukherji and Francis, 2008).

Although much knowledge of both adaptive behavior and cultural differences in buyer–seller relationships has been acquired, no study, to our knowledge, has examined adaptation behavior in business relationships between Norway and Russia. Russia has become a key player in the global market and a target for international trade and investment. However, the cultural differences between Russia and a Western country such as Norway may lead to challenges and hinder business success (Fey and Shekshnia, 2011). When addressing cultural differences, each cultural context may vary, and the interaction between parties representing different cultures may influence adaptation behavior. Some cultures have been found to have substantial barriers to adaptation or a stronger or weaker tendency toward cultural adaptation (Hamel, 1991; Selmer, 2000).

The existing literature mainly focuses on exporter adaptation and gives little attention to adaptation from an importer's perspective (Leonidou et al., 2011). However, no study has addressed adaptation from both sides in cross-cultural buyer–seller relationships. In this paper, we adopt a dyadic research approach to obtain insight into adaptation as perceived by both the buyer (importer) and seller (exporter) in cross-cultural business relationships. For this

purpose, we focus on adaptations made to manage differences in ways of conducting business related to factors previously identified as important for building successful business relationships: trust, commitment, communication/information sharing, power structure, and time perception (Anderson and Weitz, 1989; Leonidou et al., 2006; Dwyer et al., 1987; Kumar et al., 1995; Leonidou and Kaleka, 1998; Trompenaars and Hampden-Turner, 2012). By using a dyadic approach, we were able to not only identify differences between Russian and Norwegian partners but also those regarding how Russians perceive themselves as compared to how they are perceived by Norwegians and vice versa. Although a highly interesting market with huge market potential (Kets De Vries et al., 2008), the Russian market is often associated with challenge and risk because of its unique culture and often complex business environment (Fey and Shekshnia, 2011).

The remaining part of the paper is organized as follows. In the next section, we provide an overview of the central theoretical concepts underlying our research. We first address culture and cultural differences between Russia and Norway, and then present a short review of the adaptation literature. Based on our theoretical discussion, we present a conceptual model for successful cross-cultural business relationships before describing our research methodology and reporting our findings. Finally, we discuss our findings in relation with the existing literature, highlighting their implications for theory and practice.

2. Central Concepts and Theoretical Assumptions

2.1 Culture and cultural difference in relation to cross-cultural business relationships

A widely used definition of culture in the international business literature is that of Hofstede, who defines it as “the collective programming of the mind which distinguishes the members of one human group from another” (1980:4). Trompenaars, another well-known researcher into culture and cultural differences, defines culture in relation to the way in which human groups solve problems (1993:6). Notwithstanding the lack of agreement on the exact definition of culture, cultural norms and beliefs are recognized as powerful forces in shaping people’s perceptions and behaviors (Hall, 1976).

Hofstede (1980) argues that national culture is composed of several key dimensions which may explain different behaviors and ways of conducting business across nations. The dimensions he proposed (1980) are power distance, individualism, masculinity, and

uncertainty avoidance. Later, he added a fifth dimension—long-term versus short-term orientation (Hofstede and Bond, 1988)—and recently, a sixth dimension—indulgence versus restraint (Hofstede et al., 2010). Trompenaars and Hampden-Turner also described seven dimensions of culture covering the ways in which human beings address each other. These are universalism/particularism, individualism/communitarianism, neutral/affective, specific/diffuse, achievement/ascription, sequential/synchronical, and internal/external control (Trompenaars and Hampden-Turner, 1993).

An important aspect of both Hofstede's and Trompenaars/Hampden-Turner's findings is that they draw attention to differences in ways of conducting business and the challenges these differences may impose when conducting business across cultures. They not only emphasize the need to acknowledge cultural differences but also manage them and use them as an advantage. Cultural differences in beliefs, attitudes, and behavior patterns may lead to misunderstandings, miscommunication, and conflicts (Barnes et al., 1997; Pornpitakpan, 2003; Lin, 2004). Failure to take specific cultural issues into account may lead to the failure of business ventures crossing national borders (Lin, 2004).

The Russian–Norwegian context presents many differences with regard to both Hofstede's and Trompenaars-Hampden-Turner's dimensions. While Russians have been found to be relatively collectivistic/communitarianism and have high levels of power distance, uncertainty avoidance, and reliance on personal relationships (particularism), Norwegians have been found to be more individualistic, have low levels of power distance and uncertainty avoidance, and be more focused on the business task than the relationship (universalism) (Hofstede et al., 2010; Trompenaars and Hampden-Turner, 2012).

2.2 Cultural influences on business relationships

The differences between Russians and Norwegians influence how they conduct business and affect many of the factors found essential for conducting business and maintaining quality business relationships. These include trust and commitment (Anderson and Weitz, 1989; Anderson and Narus, 1990; Dwyer et al., 1987; Leonidou et al., 2006; Morgan and Hunt, 1994), communication and information sharing (Ellram, 1995; Lages et al., 2005), power-dependence structures (Anderson and Weitz, 1989; Kumar et al., 1995), and influence strategies (Leonidou et al., 2008).

2.2.1 Trust

Trust can be defined as a belief that an organizational partner will be honest, fair, and reliable (Anderson and Weitz, 1989; Dwyer et al., 1987; Morgan and Hunt, 1994). In relationship marketing, trust assumes a central role in the development of buyer–seller relationship models and is necessary to produce outcomes that promote efficiency and productivity (Morgan and Hunt, 1994).

The Russian tendency toward collectivism/communitarianism is visible in Russians' reliance on personal networks for conducting all their (business) activities (Hallén and Johanson, 2004; Ledeneva, 1998) as well as building trust (Voldnes et al., 2012). Collectivists tend to be sensitive to the in-group–out-group boundary (Triandis, 1994). The in-group is defined as a group of individuals with whom the collectivist is willing to cooperate and the out-group is a group with whom the collectivist shares no common interests (Triandis, 1994). Russians' particularism and high level of uncertainty avoidance also influence many aspects of the way in which they conduct business (Trompenaars and Hampden-Turner, 2012; Michailova and Hutchings, 2006; Hofstede et al., 2010). For Russians, gaining trust in a business partner is highly personal, depends on access to networks, and takes time to build (Voldnes et al., 2012). On the other hand, for Norwegians, trust is often more based on the company with which they are working and not necessarily personal relationships (Voldnes et al., 2012).

2.2.2 Commitment

Another central tenet of relational exchange theory is the consideration of exchange over time (Styles et al., 2008). Relationship commitment has been found to be multifaceted, but often refers to the relative strength of a party's identification and involvement with a partner, a general attitude of attachment manifested by a tendency to resist change, and thus a partner's intention to continue a partnership (Anderson and Weitz, 1989; Dwyer et al., 1987).

Russians show commitment by investing in building and maintaining personal relationships, while Norwegians are more focused on the business transaction than the relationship, and thus prefer use of formal contracts when committing to a business partner (Voldnes et al., 2012; Metcalf et al., 2006). These differences are related to the fact that Russians are relatively particularistic, meaning that they consider relationships with and trust among individuals to be more important than legal contracts (Trompenaars and Hampden-Turner, 1993). In contrast, Norwegians are relatively universalistic (Trompenaars and Hampden-Turner, 1993), meaning

that they rely more greatly on formal and legal contracts and expect business matters, rather than personal relationships, to be central when conducting business.

2.2.3 Communication/information sharing

Successful communication and information exchange are related to the exchange of timely, relevant, and important information (Perks, 2000). High-quality information exchange has been found to have a central role in inter-firm relationships (Mohr and Nevin, 1990). In cross-cultural buyer–seller relationships, unfamiliar or unknown relationship factors and foreign competitive environments add complexity, which makes quality information exchange all the more crucial (Voss et al., 2006).

Russians have been found to have a culturally ingrained resistance to sharing information (McCarthy and Puffer, 2002) and to consider belonging to the so-called “in-group” to be very important for obtaining information (Hutchings and Michailova, 2006). Many Westerners, including Norwegians, are much more willing to share information with their business partners (Snaveley et al., 1998). However, the types of information shared may differ across cultures. Trompenaars and Hampden-Turner (2012) divide cultures into specific and diffuse cultures, depending on how deeply people become involved. Russia, as compared to Norway, is a diffuse culture, where roles and status are combined in the private and professional spheres. A “diffuse” person will start a business discussion with a discussion of generalities, such as family, politics, sports, or weather, while a “specific” person will aim to directly address the business matter. This is revealed by Russians’ willingness to discuss personal topics but reluctance to share business information (Voldnes et al., 2012).

2.2.4 Power structure

Symmetrical power-dependence relationship among business partners has been found to promote trust and commitment, while asymmetrical power-dependence distribution has been found to promote conflict (Kumar et al., 1995). Symmetrical power distribution is, therefore, important in building satisfactory buyer–seller relationships (Geyskens et al., 1999). In contrast, the use of power and influence strategies has been found to have a negative influence on buyer–seller relationships (Kumar, 2005).

The power situation between Russian buyers and Norwegian sellers is special because of an import ban imposed in 2006. The Russian Federal Veterinary and Phytosanitary Service

(VPSS) claimed that it had discovered high levels of cadmium and lead in farmed Atlantic salmon and rainbow trout imported from Norway. It thus imposed an import ban that excluded many Norwegian sellers from exporting to Russia and granted several Russian importers control of all red fish imports, as well as power to influence the VPSS regarding which exporters should receive approval and which should be excluded (Elvestad and Nilssen, 2010). The import restrictions have been expanded to include all fish species exported from Norway to Russia and have resulted in a substantial power advantage in favor of Russian buyers.

Over this period, Russian buyers have used their powerful position to threaten to exclude Norwegian sellers who do not comply with their requests (Voldnes et al., 2012). This inclination to execute their power advantage can be related to Russians' high power distance, an indication of their higher tolerance for power inequality (Hofstede et al., 2010; Elenkov, 1997) and hierarchical structure (McCarthy et al., 2008). Russia's pride from the time when the Soviet Union was still a superpower has also influenced Russians' sense of sovereignty (Barnes et al., 1997). For many decades, the Soviet Union was a closed society that did not take part in the global economy, aiming at self-sufficiency and avoiding reliance on other countries. Norway, in contrast, has assumed a flat and democratic structure, and owing to its small size, has traditionally been much more dependent on trading with other countries.

2.2.5 Time perception

Our conception of time is found to be strongly affected by culture, as time is an idea rather than an object (Trompenaars and Hampden-Turner, 2012). How we think of time is interwoven with how we plan, strategize, coordinate our activities with others, and form business relationships (Trompenaars and Hampden-Turner, 2012). The time agreed upon for a meeting may be approximate or precise or time may be perceived as tangible or continuous and diffuse. In business relationships between partners with different time perceptions, misunderstanding and frustration may occur, which are detrimental to successful relationship building (Hall, 1990).

Russians and Norwegians have different time perceptions. People from western countries, such as Norway, tend to have a monochronic time perception, emphasizing scheduling, segmentation, and promptness (Hall, 1959). On the other hand, Russians tend to have a polychronic time perception, characterized by attention to several things occurring

simultaneously and perception of time as much less tangible (Hall, 1959). Cultural perceptions of time can also be classified as sequential or synchronic (Trompenaars and Hampden-Turner, 2012). Individuals who have a sequential perception of time, such as Norwegians, tend to engage in only one thing at a time, perceive time as tangible and measurable, keep strict appointments, and view relationships as generally subordinate to schedules. On the other hand, individuals with a synchronic perception of time, such as Russians, tend to engage in more than one activity at time, perceive time as continuous and diffuse, keep less strict appointments, and view schedules as generally subordinate to relationships (Trompenaars and Hampden-Turner, 2012).

Differences have also been found between the amount of time that Russians and Norwegians spend on developing relationships. Russians tend to view time as an unlimited commodity, while Norwegians and other Westerners tend to view it as limited and valuable, in accordance with the aphorism “time is money” (Snively et al., 1998). Consequently, Russians are perceived as more patient and as investing more time in their business partners (Snively et al., 1998). This difference in time perception may also be related to Russians having a more synchronic time perception than Norwegians (Trompenaars and Hampden-Turner, 2012). For Russians, the business and private spheres intertwine, while Norwegians tend to keep these two spheres separate (Voldnes et al., 2012).

Table 1 Summary of cultural differences between Norwegian sellers and Russian buyers

Norway	Differences related to	Russia
Company trust Not exclusive Individualism	Trust	Personal trust Network exclusive Collectivism (in-group)
Open Share company info Universalism	Communication/ Information sharing	Closed (in-group) Share personal info Particularism
Formal agreements	Commitment	Personal relationships
Power disadvantage Low power distance Flat structure	Power structure	Power advantage High power distance Hierarchical structure
Monochronic Sequential	Time perception	Polychronic Synchronic

Table 1 summarizes the cultural differences between Norway and Russia described in this chapter. The middle column lists the factors upon which this paper focuses, in accordance with identification of their importance in successful buyer–seller relationships in previous research. The left and right columns describe the differences between Norway and Russia further explored in this paper to identify the manner in which they are addressed by Russian and Norwegian business partners via adaptation for successful functioning of business relationships.

2.3 Adaptation

Adaptation has been emphasized as a key aspect of managing alliance diversity and performance (Parkhe, 1991). Adaptation has been widely defined as behavioral modification by one company at the individual, group, or corporate level to meet the specific needs of another organization (Brennan and Turnball, 1995:182). Adaptation can take place at the product level, or more broadly, in terms of management processes, information exchange, and even organizational restructuring (Brennan et al., 2003). When discussing adaptation as a tool for managing cultural differences in conducting business, the focus here is on adaptation of the management processes and not of the product itself. This type of adaptation can be referred to as cultural adaptation, which has been defined as “the dynamic process by which individuals, upon relocating to a new, unfamiliar or changed socio-cultural environment, establish (or re-establish) and maintain a relatively stable, reciprocal and functional relationship with the environment” (Kim, 2001:31). Such adaptation goes beyond simply

adapting to a certain business practice and involves understanding, adjusting, and learning about the other party from a cultural standpoint (Lin, 2004). This may involve a temporary shift in one's frame of reference and the taking of subsequent actions that are more appropriate in a culture other than one's own (Bennet, 1986).

Adaption in cross-cultural settings (cultural adaptation) is defined as an attempt to accommodate the perceived foreignness of the other culture participant by altering the communication style and adjusting to differences in beliefs (Ellingsworth, 1983). Adaptive behavior is typically motivated by a desire to bridge cultural distance to gain acceptance from and improve communications with members of a foreign culture (Francis, 1991). Although much research has been conducted into the extent of adaption, it has focused only on the seller/exporter and has obtained mixed results. Moderate adaption of behavior has been found to be the most optimal strategy for Americans adapting to Japanese culture (Francis, 1991), and both moderate and high adaptations were found to yield positive outcomes for Americans adapting to Japanese, Thai, Indonesian, Malaysian, and Chinese Indonesian cultures (Pornpitakpan, 2005; 2003; 1999).

The degree and type of adaptation are determined by the characteristics of the parties involved in the interaction (Hagberg-Andersson, 2006). Previous research has shown that adaptive behavior is influenced by the power-dependence balance between the business parties, i.e., that the party in the weaker position in the relationship is expected to adapt to the more powerful party (Hallén et al., 1991; Brennan et al., 2003). Previous research has also shown that business people from certain cultures have a stronger or weaker tendency toward cultural adaptation (Hamel, 1991; Selmer, 2000; Lin, 2004). Cultural barriers have been found to act as psychological limitations in the ability or willingness to understand, accept, and/or adapt to the norms of a foreign culture (Torbjörn, 1988). For example, American expatriates seem to encounter greater psychological barriers to adjusting to Chinese culture than expatriates from France, Germany, Australia, and Great Britain (Selmer, 2000). National cultural dimensions, such as power distance and tolerance for power inequality, have also been found to influence adaptive behavior in business relationships (Lin, 2004). The high power distance of the Chinese has been found to explain why they show a stronger incentive to adapt in asymmetric power relationships than Americans (Lin, 2004). An interesting question is how the cultural background of Russians and Norwegians influences their ability and willingness to adapt.

According to Haakanson and Snehota (1995), companies in a relationship continuously adapt to each other to make the relationship work. Mutually adaptive actions in a working relationship are conducive to more equitable exchanges between the parties involved (Leonidou et al., 2011). In addition, Hallén et al. (1989) found that mutual adaptation of some degree is a prerequisite for the development and continued existence of a relationship between two companies. In the early stage of the relationship, adaptation is a means of developing trust, while in the mature stage, it is a means of expanding and solidifying the relationship (Hallén et al., 1989). Adaptation behavior in buyer–seller relationships has been found to be influenced by the power-dependence balance between the buyer and seller, with the less powerful partner adapting to the more powerful one (Hagberg-Andersson and Grønhaug, 2010). However, the buyer–seller literature claims that symmetrical power-dependence distribution is a prerequisite for maintaining quality business relationships (Geyskens et al., 1996) since power-dependence asymmetry is associated with both instability and conflict (Anderson and Weitz, 1989). Thus, in well-functioning cross-cultural buyer–seller relationships, one should expect power symmetry and the use of mutual adaptation to manage cultural differences for making the relationships successful.

3. Model

Based on our review of the theory regarding cultural adaption, we developed the conceptual model shown in Figure 1.

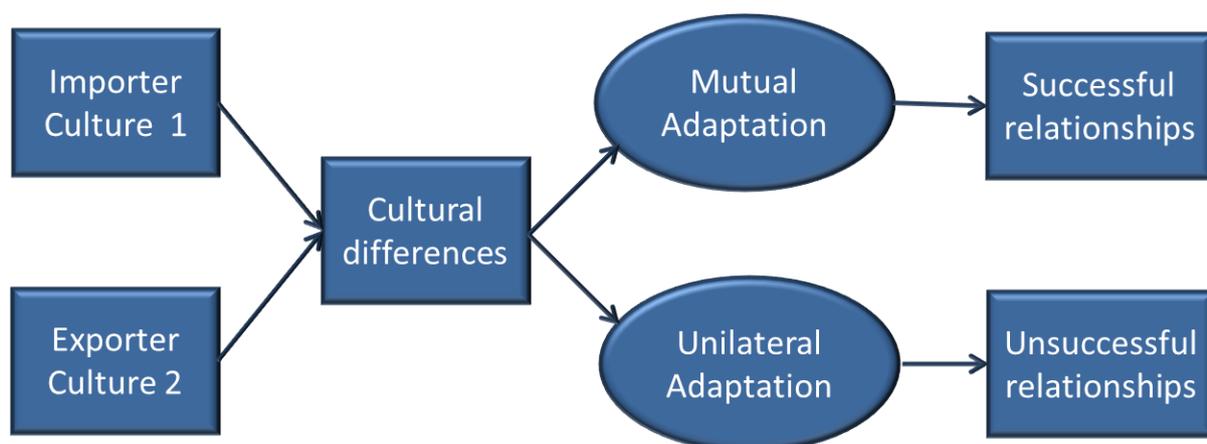


Figure 1 Conceptual model

Figure 1 should be viewed with the understanding that cross-national buyer–seller relationships consist of buyers and sellers embedded in different cultures. Cultural differences may lead to challenges due to differences in how the business partners conduct business, which in turn may lead to misunderstandings, conflicts, and even a failure to exploit business opportunities. Hence, to develop and maintain buyer–seller relationships across cultures, the partners in the relationships must manage their differences. Accordingly, mutual adaptation has been emphasized as a prerequisite for developing successful business relationships between two partners (Hallén et al., 1989; Mukherji and Francis, 2008). Hence, it is assumed that conducting unilateral adaptation, defined as adaptation from only one side in the exchange dyad, results in unsuccessful relationships and termination of the relationship.

4. Method

Differences in experiences, expectations, sense of belonging within the industry, perceptions, beliefs, and behaviors may vary substantially between the partners in buyer–seller relationships crossing national cultures. To examine adaptation behavior in Russian–Norwegian business relationships, we used a qualitative, exploratory approach, based on reports of its utility in gaining insights into and understanding of matters within which there is limited existing knowledge (Churchill, 1992).

To identify the perceptions and adaptation behaviors of Russian and Norwegian business partners, we interviewed representatives of both parties. Most past research has investigated cross-national buyer–seller relationships from only one side of the dyad (Leonidou et al., 2011), which prevents identification of differences in perceptions of the relationship by the unexamined side (Griffith et al., 2006). The respondents in the current study were not asked direct questions about their specific partners, as this could have prevented them from being open. The Russian companies were chosen with the assistance of the Norwegian respondents, and the chosen informants were the persons or some of the persons responsible for exporting to or importing from the respective country. The informants were managing directors, sales directors, or export managers whose experience in trading with the respective country varied from 2 to 21 years. For more information regarding the companies and informants, see Appendix 1.

A theory-driven interview guide was developed on the basis of the literature review. The questions asked, which were both open and closed, sought to assess levels of satisfaction,

communication/information sharing, trust, and commitment, as well as the power structure. Specific questions regarding culture and perceived cultural differences were asked: “Do you feel that there are any cultural differences between Russia and Norway in relation to business conduct?” “Do you experience any challenges in conducting business because of cultural differences?” The manner in which adaption was used to manage differences was revealed during the interviews, which were conducted as informal conversations. Emphasis was placed on allowing the subjects to play an active role and conducting follow-up by asking probing questions to gain a deeper understanding of the interviewees’ perspective.

The Russian interview guide was first translated from Norwegian into Russian and then back-translated into Norwegian by a second translator to ensure semantic and conceptual equivalence (Douglas and Craig, 1983). Two native Russian speakers, who also speak Norwegian fluently, performed the translation and back-translation and resolved the few deviations identified.

Preliminary face-to-face interviews with four Norwegian companies were conducted to learn more about the export of seafood to the Russian market and assist in adjusting the interview guide to the particular context of the study. Face-to-face interviews with four additional Norwegian companies exporting to Russia were then conducted, followed by face-to-face interviews with six Russian buyers representing five Russian import companies (in one company, one informant responsible for buying salmon and trout and one responsible for buying herring were interviewed). The interviews with the Russian companies were conducted at a food exhibition in Moscow. When we reached the point where additional interviews provided little new insight into the subject of inquiry, we concluded the study (Eisenhardt, 1989).

The Russian face-to-face interviews were conducted by a native Russian-speaking interpreter and the first author, who also speaks Russian. The Norwegian interviews were conducted by the first author. The interviews, which typically lasted between one and one and a half hour, were tape recorded and transcribed. The transcriptions were carefully analyzed and cultural differences between the exchange partners and their adaptive behavior were identified. Excerpts from the interviews are reported to allow readers to assess our interpretations and conclusions (Kirk and Miller, 1986).

Based on Lincoln and Guba's (1985) criteria for evaluating qualitative research, an assessment of the study's trustworthiness was performed. In Table 2, which provides an overview of the methods used to ensure credibility, transferability, dependability, and confirmability of our study, the left column lists Lincoln and Guba's (1985) criteria for ensuring trustworthiness in qualitative research and the right column provides a short description of how the criteria were ensured.

Table 2 Trustworthiness of the study and methods used (based on Guba and Lincoln, 1994)

Trustworthiness criteria	Methods used in this study
<i>Credibility</i> : The degree to which the results are a credible account of the social reality.	After a thorough literature review was conducted, a preliminary study of Russian export companies was performed to learn more and modify the questionnaire. This analysis provided a strong background in preparation for conducting several interviews and revealed many similarities, which were further examined. <i>Result</i> : Credible account of the true relationship between Russian and Norwegian exporters.
<i>Transferability</i> : The extent to which findings hold in another context or in the same context at another time.	A thick description and excerpts were offered. <i>Result</i> : Provide others with data for making judgments regarding the possible transferability of the findings to other milieu.
<i>Dependability</i> : The stability or consistency of explanation—whether the findings are unique to the time or place.	Semi-structured interviews asking probing questions were conducted. Repeated findings were obtained. <i>Result</i> : Consistent findings across the data sources.
<i>Confirmability</i> : Interpretations are the results of data and the studied phenomenon, not personal values and researcher biases.	Full transcription of all recorded interviews was performed to allow for interpretation by both authors. <i>Result</i> : Confirmability of interpretation of the data.

5. Findings

In this section, we report our findings and provide excerpts from the interviews to illustrate adaptation behavior from both Russian and Norwegian sides.

5.1 Managing differences between trust and personal networks

In Russia, trust is closely related to personal networks, is highly personal, and takes time to build, while Norwegians tend to trust companies rather than the person(s) representing the company. Norwegian sellers stated that they have had to adapt to the Russian way of building trust when trading with their Russian buyers. This is well illustrated by this excerpt from a Norwegian respondent: *“You have to make friends with the Russian partners if you want to do business. If you are friends you do business, if you are not friends you will not. It is really very simple.”* Russians tend to like to take their potential business partners out to dinner, drink with them, and build a personal relationship with them before talking business.

For Norwegian sellers, development of a personal relationship is more a possible result of conducting business with one partner for many years rather than the starting point for conducting business. Building personal relationships before conducting business is often regarded as mixing business and pleasure, to which Norwegian sellers are unaccustomed but have had to do to adapt to the Russian way. As one Norwegian seller explained, *“You have to build a much more personal relationship with Russians than other places in Europe. You have to become a friend because Russians take their jobs very personally and seriously. It is not just work from eight-to-five – it’s a lifestyle.”* Another Norwegian respondent stated, *“I never hug my business partners in any other countries I work with, but with Russians I hug.”* This is illustrative of the more personal approach to business used in Russia.

With regard to Russian adaptation, some Norwegian respondents with long trading experience with Russians mentioned that Russian buyers have become a bit more “Western” over the years. This is exemplified by changes in their drinking behavior, as one Norwegian seller described, *“Alcohol in business settings was very common before, but not to the same extent now. You do not have to get drunk on vodka when visiting your Russian buyers anymore, which was, more or less, expected earlier.”* In this respect, it may seem as if Russian buyers have made some adaptations to accord with Norwegian drinking behavior.

5.2 Managing differences regarding communication and information sharing

Among Russians, communication and information sharing are often restricted to people in the in-group (personal network), within which the information shared is often personal. Norwegians, on the other hand, are more accustomed to sharing company information and not personal information when conducting business.

The findings indicate that instead of Russians showing willingness to share more company information to please their Norwegian sellers, Norwegians have accepted the Russian reluctance to share company information. One Norwegian seller commented, *“Sure, we would like to receive more company information from the Russians, but we just have to accept that it is not natural for Russians to share this kind of information.”* Another Norwegian respondent related this aspect thusly: *“It is not in the Russians’ nature to be communicative and share information about everything, so we cannot expect it.”*

The Norwegians described how they have learned to spend time and energy in building personal relationships with their business partners and that personal information is more important for Russian partners than company information. In response, Norwegian sellers have adjusted the type of information that they usually share with their company partners. A Norwegian respondent expressed such adaptation thusly: *“In the beginning, we used to start our business meetings with company presentations. The Russians would begin yawning and talk about the weather instead, so we soon learned that this was not interesting information for the Russian buyers. They were interested in getting to know us personally, and did not care much about any company figures. You can show up with empty hands, you do not need to bring anything.”*

The findings indicate that Norwegians have not only learned to understand and accept the lack of information provided by their Russian partners but have also changed their policy regarding the kind of information to share to accord with their Russian partners’ interests.

5.3 Managing differences regarding time perception

Russians tend not to separate business from private life in the same manner as Norwegians. This difference, as well as that regarding time perception, is often illustrated in differences in working hours. Russians are available for business 24/7 and expect Norwegians to be, while

Norwegians are not often available after 4 pm, the point at which they end the work day to spend time with their family.

According to several of Norwegian sellers, Russians do not expect the same amount of time to be spent on them when visiting Norway and their Norwegian companies as Russians spend on Norwegians when they visit Russia. A Norwegian seller explained,

“Of course, we feel that we have to take the Russian buyers out to dinner when they visit Norway, although they probably find it strange that we have to call home and ask for permission to go on a business dinner. But the Russian buyers are usually very busy meeting several business partners when they visit Norway, so they do not seem to expect to be followed around all day and night.”

This explanation may indicate that Russians adapt to Norwegians when they are in Norway. However, this can also be a misinterpretation from the Norwegian side, as several Russian buyers expressed dissatisfaction regarding the Norwegian preoccupation with family and their lack of attention to business after 4 pm. When in Russia, however, Norwegians have learned that conducting business takes time and that they are expected to go out and eat and drink before talking business.

5.4 Managing differences regarding commitment

Norwegians have accepted differences between them and their Russian partners regarding ways of committing to the business relationship. Instead of demanding written, formal contracts before conducting business, they have adapted to the Russian way of committing to future sales, i.e., by building and maintaining good relationships with their Russian counterparts. A Norwegian seller stated this adaptation thusly: *“Since trading with Russia is much more informal than we are used to, we have to be preoccupied with the same things that they are. Building personal relationships is important, so that we can trust that the buyers are serious and do not run away from their commitments.”* Another Norwegian respondent explained further: *“We would prefer more written contracts, but have learned that this is not the way Russians do business. In Russia, it is less about formalities and more about personal relationships, and this is the main cultural difference between Norway and Russia.”*

In general, Russian business actors seem to be more focused on using oral agreements and building close relationships as ways of showing commitment. A Russian respondent stated, *“If you have a good relationship, oral agreements are sufficient.”* It seems that both Russian

and Norwegian partners desire long-term commitment but differ in their preferred means of building it.

5.5 Managing power asymmetry

The special import regime in Russia, where Russian buyer companies can influence which Norwegian companies obtain approval for export to Russia and which do not, results in an asymmetrical power relationship in favor of Russians. This asymmetry was revealed by statements from both Russian and Norwegian sides. One Russian importer expressed regarding an exporter that “if it is necessary to find bacteria in Norwegian salmon, we will find it,” while another revealed “...we have a very close relationship with the Russian regulatory bodies.” A Norwegian seller also expressed the Russian power advantage thusly: “Russian businesses make deals with each other and with the Russian bureaucracy, governments, and control authorities, and they decide whether to give approval to export to Russia or not.”

A way to manage this asymmetry is to build and take advantage of personal relationships as Russians do. One Norwegian seller expressed how to do so as follows: “...you need someone to lobby for your company. The power to approve companies lies on the Russian side, so it is important to establish relationship with Russian companies with power to make the approval decisions.” Another Norwegian seller expressed: “...we have to invest a lot of time, effort, and energy in our relationships with Russians. You don’t invest in money directly, but indirectly it costs to be patient and [focus on the] long-term.”

Table 3 below summarizes Russian buyers’ and Norwegian sellers’ adaptations with regard to differences related to trust/personal networks, communication/information sharing, commitment, and time dedicated to building relationships. The cultural dimensions related to the differences are listed in the middle column, Russian buyers’ adaptations in the left column, and Norwegian sellers’ adaptations in the right column.

Table 3: Overview of adaptations made by Russian buyers and Norwegian sellers

Adaptations made by Russian buyers	Cultural dimensions	Adaptations made by Norwegian sellers
Adapt to the “Western” drinking culture; drink less during business meetings	Trust and Personal networks	Build personal trust and relationships Engage in more informal business conduct; mix business and pleasure (i.e., dinner and drinking before business)
	Communication/ Information sharing	Accept lack of information sharing Give fewer company presentations and offer more personal information
	Commitment	Accept oral agreements and lack of formality Engage in more relationship building than contract establishment
	Power structure	Build personal networks and lobby
Adapt to Norwegians’ separation of work and leisure times when visiting Norway	Time perception	Spend much time with Russian buyers when in Russia Take Russians out to dinner when they visit Norway

Table 3 shows that Norwegian sellers have made several adaptations to Russian culture and the Russian way of doing business, while Russian buyers have made very few adaptations. Several Norwegian sellers indicated that Russian buyers have become a bit more “Western” in the sense of refraining from consuming alcohol at business meetings. According to Norwegian sellers, Russians have also adapted to Western business practices with regard to expectations of the time duration spent on the partner when visiting Norway. Some Norwegian sellers claimed that even if Russians spend much time with their Norwegian partners when they visit Russia, they do not expect the same treatment and amount of time from their Norwegian partners when visiting Norway. However, Russians’ complaints about Norwegians’ lack of business focus after 4 pm may indicate that this adaptation from the Russian side is a misconception of Norwegian sellers.

Having perceived large cultural differences between Norway and Russia regarding ways of conducting business, many Norwegian companies have hired Russian personnel to help them manage cultural differences. The reasons given for hiring Russian sales personnel were to help in coping with the language barrier, as well as in improving the understanding of cultural differences. One Norwegian seller stated that after starting business in Russia, he would speak

Norwegian to his Russian employee, who would then translate the message into Russian, even though both he and the Russian buyer spoke English. He explained that this was a conscious act performed to prevent him from expressing himself in a way that could be misinterpreted by the Russian side: *“I would say something in Norwegian, and my Russian colleague would sometimes correct me and imply that this is not the correct way to talk about this issue, as the Russian buyer might misunderstand it.... This was a very good tip for me to better my understanding of how Russians think. So instead of me making a blunder, he would help me and correct me.*

6. Perception of Cultural Differences

An interesting finding related to the partners' perceptions of the existence of cultural differences was that Russians described the existence of few differences, while Norwegians described the existence of many differences. In response to questions related to perceived cultural differences between Norway and Russia, one Russian respondent stated, *“No, there are no differences, we are very alike,”* while another accorded, *“No, there are no differences besides the language.”* Yet another Russian buyer explained, *“I feel very comfortable with doing business with Norway, and I feel we are very close and there are no problems.”* Norwegians, on the other hand, emphasized that there are large cultural differences between Norway and Russia. One Norwegian seller said, *“There are many differences between Norway and Russia. However, I do not feel it is a problem. I have been humble in regard to the differences, and that Russia is a totally different world and that I will never understand anything about Russia.”* Another seller expressed his perception as follows: *“It is hard to find the right words to describe the differences. It is the sum of so many things; differences in the juridical aspects, all the necessary documentation, the need to build relationships and the time aspect. The Russians have so much time. When you come to Russia, they pick you up at the airport, and they stay with you day and night.”* As these statements illustrate, Russian buyers perceive Norwegians and Russians to be similar, whereas Norwegian sellers perceive Russians and Norwegians to be so different that they represent two different worlds.

An important finding of this study is that the assumption that mutual adaptation is a prerequisite for building and maintaining successful buyer–seller relationships does not necessarily hold true in all cases. We thus argue that business relationships may function well and succeed despite only unilateral adaptation and the existence of a high level of power asymmetry. We base this conclusion on the fact that none of the exchange partners expressed any willingness

to terminate the relationships, and all parties expressed an overall satisfaction with the relationships. The findings thus indicate that unilateral adaptation may also result in the building of successful business relationships, as illustrated in the revised model in Figure 2.

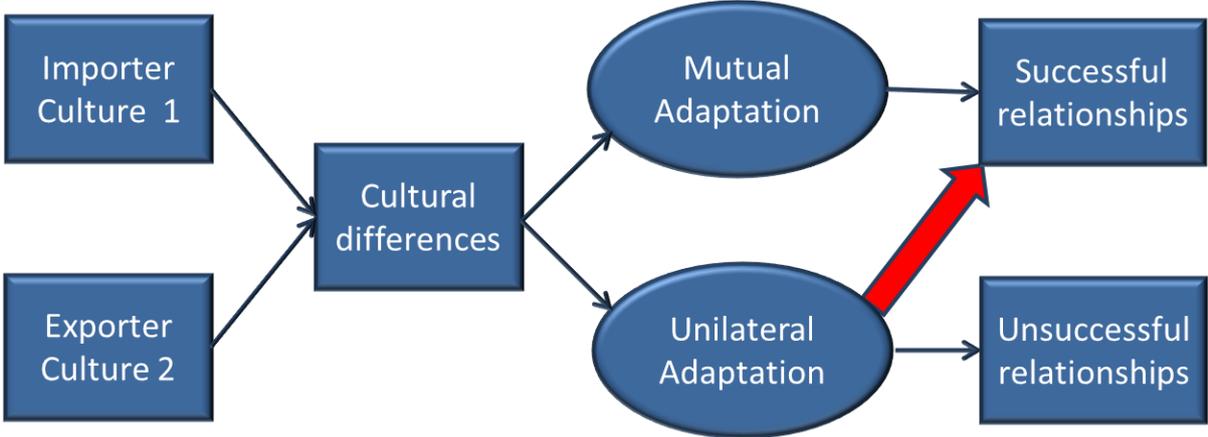


Figure 2 Conceptual model revised

7. Discussion

The results of this study indicate that it is mainly Norwegian sellers who adapt to the Russian culture and way of conducting business. This is surprising, given that mutually adaptive actions in a working relationship are considered conducive to equitable exchanges (Leonidou et al., 2011), and mutual adaptations of some degree are, according to Hallén et al. (1989), a prerequisite for the development and continued existence of a relationship between two companies. The unilateral adaptation from the Norwegian side may be explained by the asymmetric power-dependence balance in favor of Russians because of the previously discussed import ban. Adaptation behavior has been found to be influenced by the power relationships between the partners, with the less powerful partner tending to adapt to the more powerful one (Brennan et al., 2003; Hagberg-Andersson and Grønhaug, 2010).

This finding is, however, not in accordance with Lin’s (2004) findings in his study of adaptations in joint-venture alliances between the United States and China, specifically that the dependence-adaptation link was stronger among the Chinese than American managers. He

explained his finding by referencing to the differences regarding the acceptance of power inequality, as Americans accept social inequality to a lesser extent than the Chinese. Given that Norway scores low on power distance, which should, according to Hofstede et al. (2010), indicate less acceptance of social inequality than Russians, Norwegians should neither accept nor act according to the level of power asymmetry. According to Lin (2004), one would not expect Norwegian buyers to accept the existence of power asymmetry and adapt accordingly to enable relationship functioning. A possible explanation is that the power-dependence situation is so much in favor of Russians and that their willingness to use their power advantage to influence their Norwegian partners is so strong that their Norwegian partners have no choice but to adapt; in other words, Norwegians must adapt or find another export market.

The Russian hierarchical structure and high power distance (Elenkov, 1997; Hofstede and Hofstede, 2005) also seems to influence Russians' inclination to use their power advantage. We can observe this phenomenon in Russian buyers' threats to get the Norwegian import approval withdrawn if they disagree during negotiations. Use of coercive influence strategies has previously been found to have detrimental effects on business relationships (Kumar, 2005). However, the existence of power asymmetry, use of power, and performance of unilateral adaptation seem not to influence the partners' willingness to maintain the relationship. Although the situation is likely not ideal, especially not from Norwegian buyers' viewpoint, both sides express satisfaction with the business relationship and neither expresses willingness to terminate it.

The limited adaptation from the Russian side may also be related to other factors such as cultural sensitivity or psychological barriers to adjustment. Several authors have argued that business people from certain national or cultural backgrounds may have a stronger or weaker tendency toward cultural adaptation (Selmer, 2000; Lin, 2004). In his study of foreign expatriates in China, Selmer (2000) found that Germans demonstrated greater inability and unwillingness to adapt to Chinese business practices than Americans, French, Australians, or British. He explained that this finding reflects differences in psychological barriers to adaptation, specifically psychological limitations in the ability or willingness to understand, accept, or adopt the norms of a foreign culture (Torbjörn, 1988). Such psychological barriers may be contributing explanations for the limited adaptation made by Russian buyers in the present study. These psychological barriers may be attributed to Russians' "inherited" pride

from once being citizens of the Soviet Union when it was a superpower. During the Soviet era, Russians were accustomed to being self-sufficient and often subjected to nationalistic propaganda regarding Soviet sovereignty (Barnes et al., 1997). For many years, the Soviet Union was a closed society that did not participate in the global economy, aiming at self-sufficiency and freedom from dependence on other countries. In many cases, Russia is again striving to restore its national pride and self-sufficiency. To achieve this goal, the Russian authorities (among others) are working to reduce Russian import dependency by introducing protectionist measures against the import of several types of foods from different countries (Elvestad and Nilssen, 2010). The imposition of new formal and informal hurdles, such as restrictions on investing in certain industries without presidential approval, by Russian authorities supports the existence of this protectionist tendency (Fey and Shekshnia, 2011).

This Russian “pride” may also influence Russians’ cultural sensitivity, which is affected by an awareness of cultural differences, knowledge of why these differences exist, and willingness to accommodate these differences (Harich and LaBahn, 1998). The findings revealed that Russian buyers felt that Norwegians and Russians are very similar, while Norwegians characterized their differences as being so great that each side represented a different world. This discrepancy indicates low awareness from the Russian side regarding the existence of cultural differences between the two countries. This finding corroborates the existing literature, which implies that Russians tend to underestimate the extent of cross-cultural differences (Snaveley et al., 1998). Snaveley et al. (1998) explains that Russians often assume that Western business people follow the same practices and have the same expectations as they do. This Russian perception of similarity may, however, also be explained by the Norwegians’ adaptation behavior, which leads Russian buyers believe that Norwegians always conduct business in the manner that they observe.

8. Implications

8.1 Theoretical implications

This research contributes to existing knowledge regarding relationship quality and cultural adaptation in cross-cultural buyer–seller relationships. The results indicate that cross-cultural business relationships may function and succeed despite the existence of a high level of power asymmetry and unilateral adaptation. They thus contradict previous studies reporting that mutual adaptation is a prerequisite for the development and continuance of relationships and

that power-dependence asymmetry is destructive for the formation of business relationships (Hallén et al., 2989; Mukherji and Francis, 2008; (Caniëls and Gelderman, 2007). They also contradict the finding that high-quality information exchange is fundamental for the functioning of international alliances (Perks, 2000). As observed in this study, the extent of information exchange is, at least from the Norwegian side, perceived as almost nil in their Russian–Norwegian business alliance.

8.2 Managerial implications

Gaining knowledge of and applying strategies for coping with cultural differences should be helpful for business managers engaged or planning to engage in business ventures with Russia and Norway, especially for those doing so for the first time. For business managers aiming to conduct business with Russians, it may be advantageous to become aware of the need to make many adaptations to enable functioning of business relationships, as well as the fact that Russians seem to not only have a limited willingness to adapt but even a limited ability to detect cultural differences.

Learning how to operate in Russia is increasingly important for many countries, given the rapid evolution of business opportunities in this growing market. The challenges related to conducting business in Russia may become advantages for companies with specialized knowledge of how to operate in Russia, especially those who have acquired a unique competence that may be difficult for competitors to obtain (Fey and Shekshnia, 2011).

9 Future Studies

The results presented in this study are based on examination of a relatively small sample of companies representing two national cultures. Future research should expand on the insights obtained from this study by investigating several other countries to explore adaptation behavior in other cross-cultural business relationships. New insights may also be gained by including companies from different industries, with different ownership structures, and with different power-dependence relationships than those examined here. An interesting form of research would be longitudinal study of adaptation behavior and cultural differences as global trade increases and best business practices diffuse across the globe, which may result in the convergence of business practices and narrowing of cultural differences (Metcalf et al., 2006).

10 References

- Anderson, J.C. and Narus, J.A. (1990), "A model of distributor firm and manufacturer firm working partnerships." *Journal of marketing*, Vol. 54, pp. 42–58.
- Anderson, E. and Weitz, B.A. (1989), "Determinants of continuity in conventional industrial channel dyads." *Marketing Science*, Vol. 8, pp. 310–323.
- Barnes, J.W., Crook, M.H., Koybaeva, T., and Stafford, E.R. (1997), "Why our Russian alliances fail." *Long Range Planning*, Vol. 30, Iss. 4, pp. 540–550.
- Bennet, M.J. (1986), "A development approach to training for intercultural sensitivity." *International Journal of Intercultural Relations*, Vol. 10, pp. 179–196.
- Brennan, R., Turnbull, P.W., and Wilson, D.T. (2003), "Dyadic adaptations in business-to-business markets." *European Journal of Marketing*, Vol. 37, pp. 1636–1665.
- Brennan, R. and Turnbull, P.W. (1995), "Adaptations in buyer-seller relationships." 11th IMP conference, Manchester, Manchester Federal School of Business and Management.
- Caniëls, M.C.J. and Gelderman, C.J. (2007), "Power and interdependence in buyer supplier relationships: A purchasing portfolio approach." *Industrial Marketing Management*, Vol. 36, pp. 219–229.
- Churchill, J.G.A. (1992), *Basic Marketing Research*, TX: The Dryden Press, Forth Worth.
- Douglas, S.P. and Craig, C.S. (1983), *International Marketing Research*. NJ, Prentice Hall: Englewood Cliffs.
- Dwyer, F.R., Schurr, P.H., and Oh, S. (1987), "Developing buyer-seller relationships." *Journal of marketing*, Vol. 51, pp. 11–27.
- Eisenhardt, K.M. (1989), "Building theories from case study research. Academy of Management." *The Academy of Management Review*, Vol. 14, Iss. 4, pp. 532–550.
- Elenkov, D.S. (1997), "Differences and similarities in managerial values between U.S. and Russian managers." *International Studies of Management and Organization*, Vol. 27, Iss. 1, pp. 85–106.
- Ellingsworth, H.W. (1983), Adaptive intercultural communication. In: Gudykunst WB (ed) *Intercultural communication theory*. Beverly Hills: Sage Communication.
- Ellram, L.M. (1995), "Partnering pitfalls and success factors." *International Journal of Purchasing and Material Management*, Vol. 31, pp. 36–45.
- Elvestad, E. and Nilssen, F. (2010), "Restricting imports to the Russian food market: Simply an act of protectionism?" *Post-Communist Economies*, Vol. 22, Iss. 3, pp. 267–282.
- Fey, C.F. and Shekshnia, S. (2011), "The key commandments for doing business in Russia." *Organizational Dynamics*, Vol. 40, pp. 57–66.

- Francis, J.N.P. (1991), "When in Rome? The effects of cultural adaptation on intercultural business negotiations." *Journal of International Business Studies* 22.
- Geyskens, I., Steenkamp, J.-B.E.M., and Kumar, N. (1999), "A meta-analysis of satisfaction in marketing channel relationships." *Journal of Marketing Research*, Vol. 36, pp. 223–238.
- Geyskens, I., Steenkamp, J.-B.E.M., Scheer, L.K., Scheer, L.K., and Kumar, M. (1996), "The effects of trust and interdependence on relationship commitment: A trans-Atlantic study." *International Journal of Research in Marketing* 13.
- Griffith, D.A., Myers, M.B., and Harvey, M.G. (2006), "An investigation of national culture's influence on relationship and knowledge resources in interorganizational relationships between Japan and the United States." *Journal of International Marketing*, Vol. 14, Iss. 3, pp. 1–32.
- Haakanson, H. and Snehota, I. (1995), *Developing relationships in business networks*. London: International Thomson Business Press.
- Haakanson, H. (1982), *International Marketing and Purchasing of Industrial Goods: An Introduction Approach*. Chichester, UK: John Wiley and Sons.
- Hagberg-Andersson, Å. and Grønhaug, K. (2010), "Adaptations in a supplier-manufacturer network – a research note." *European Journal of Marketing*, Vol. 44, Iss.1/2, pp. 34–41.
- Hagberg-Andersson, Å. (2006), "Does adaptation pay off?" *Industrial Marketing Management*, Vol. 35, pp. 202–209.
- Hall, E.T. (1990), *The silent language*. New York: Anchor Books. A division of Random House, INC.
- Hall, E.T., and Hall, M. R. (1987), *Hidden differences: Doing business with the Japanese*. New York, NY: Anchor Press/Doubleday.
- Hall, E.T. (1976), *Beyond culture*, New York, NY: Anchor Press.
- Hall, E. T. (1959), *The Silent Language*. Garden City, New York, Doubleday & Company, Inc.
- Hallén, L. and Johanson, M. (2004), "Integration of relationships and business network development in the Russian transition economy." *International Marketing Review*, Vol. 21, Iss. 2, pp. 158–71.
- Hallén, L., Johanson, J., and Sayed-Mohamed, N. (1991), "Interfirm adaptation in business relationships." *Journal of Marketing*, Vol. 55, pp. 29–37.

- Hallén, L., Johanson, J., and Sayed-Mohamed, N. (1989), "Relationships and exchange in international and domestic business." In L. Hallén and J. Johanson (eds.), *Networks of Relationships in International Industrial Marketing* (pp. 7–25). Greenwich: JAI Press.
- Hamel, G. (1991), "Competition for competence and interpartner learning within international strategic alliances." *Strategic Management Journal*, Vol. 12, pp. 83–103.
- Harich, K.R. and LaBahn, D.W. (1998), "Enhancing international business relationships: A focus on customer perceptions of salesperson role performance including cultural sensitivity." *Journal of Business Research*, Vol. 42, pp. 87–101.
- Hofstede, G., Hofstede, G.J., and Minkov, M. (2010), *Cultures and Organizations: Software of the Mind*. New York, McGraw-Hill.
- Hofstede, G. and Hofstede, G.J. (2005), *Cultures and organizations. Software of the Mind. Intercultural Cooperation and its Importance for Survival* (2nd Ed.). New York: McGraw-Hill.
- Hofstede, G. and Bond, M. (1988), "The confucius connection: From cultural roots to economic growth." *Organizational dynamics*, Vol. 16, Iss. 4, pp. 5–21.
- Hofstede, G. (1980), *Culture's consequences. International differences in work-related values*. Beverly Hills, London, New Dehli: SAGE Publications.
- Hutchings, K. and Michailova, S. (2006), "The impact of group membership on knowledge sharing in Russia and China." *International Journal of Emerging Markets*, Vol. 1, Iss. 1, pp. 21–34.
- Kale, S.H. and Barnes, J.W. (1992), "Understanding the domain of cross-national buyer-seller interactions." *Journal of International Business Studies*, Vol. 23, Iss. 1, pp. 10–132.
- Kets De Vries, M., Korotov, K., and Shekshnia, S. (2008), "A work in progress transcending the fifth "Times of Troubles"." *Organizational Dynamics*, Vol. 37, pp. 211–220.
- Kim, Y.Y. (2001), *Becoming intercultural: An integrative theory of communication and cross-cultural adaptation*. Thousand Oaks, CA: Sage.
- Kirk, J. and Miller, M.L. (1986), *Reliability and validity in qualitative research*, Newsbury Park, CA: Sage.
- Kumar, N., Scheer, L.K., and Steenkamp, J.-B.E.M. (1995), "The effects of perceived interdependence on dealer attitudes." *Journal of Marketing Research*, Vol. 32, pp. 348–356.
- Kumar, N. (2005), "The power of power in supplier-retailer relationships." *Industrial Marketing Management*, Vol. 34, pp. 863–866.

- Lages, C., Lages, C.R., and Lages, L.F. (2005), "The RELQUAL scale: a measure of relationship quality in export market ventures." *Journal of Business Research*, Vol. 58, Iss. 8, pp. 1040–48.
- Leonidou, L.C., Palihawadana, D., Chari, S., and Leonidou, C.N. (2011), "Drivers and outcomes of importer adaptation in international buyer-seller relationships." *Journal of World Business*, Vol. 46, pp. 527–543.
- Leonidou, L.C., Talias, M.A., and Leonidou, C.N. (2008), "Exercised power as a driver of trust and commitment in cross-border industrial buyer-seller relationships." *Industrial Marketing Management*, Vol. 37, pp. 92–103.
- Leonidou, L.C., Barnes B.R., and Talias, M.A. (2006), "Exporter-importer relationship quality: The inhibiting role of uncertainty, distance, and conflict." *Industrial Marketing Management*, Vol. 35, pp. 576–588.
- Leonidou, L.C., and Kaleka, A.A. (1998), "Behavioural aspects of international buyer-seller relationships: Their association with export involvement." *International Marketing Review*, Vol. 15, 373–397.
- Ledeneva, A. (1998), *Russia's Economy of Favours. Blat, Networking and Informal Exchange*. Cambridge: Cambridge University Press.
- Lin, X. (2004), "Determinants of cultural adaptation in Chinese-U.S. Joint Ventures." *Cross Cultural Management: An International Journal*, Vol. 11, pp. 35–47.
- Lincoln, Y.S. and Guba, E.G. (1985), *Naturalistic Inquiry*. Newbury Park, CA, Sage Publications.
- McCarthy, D.J., Puffer, S.M., May, R.C., Ledgerwood, D.E., and Stewart, Jr. W.H. (2008), "The legacy of transactional leadership." *Organizational Dynamics*, Vol. 37, Iss. 3, pp. 221–235.
- McCarthy, D.J. and Puffer, S. (2002), "Corporate governance in Russia: Towards a European, US, or Russian model?" *European Management Journal*, Vol. 20, Iss. 6, pp. 630–640.
- Mehta, R., Larsen, T., Rosenbloom, R., and Ganitsky, J. (2006), "The impact of cultural differences in U.S. business-to-business export marketing channel strategic alliances." *Industrial Marketing Management*, Vol. 35, pp. 156–165.
- Metcalf, L.E, Bird, A., Shankarmahesh M., Aycan Z., Larimo, J., and Valdelamar, D.D. (2006), "Cultural tendencies in negotiation: a comparison of Finland, India, Mexico, Turkey and the United States." *Journal of World Business*, Vol. 41, pp. 382–394.

- Michailova, S. and Hutchings, K. (2006), "National cultural influences on knowledge sharing: A comparison of China and Russia." *Journal of Management Studies*, Vol. 43, pp. 383–405.
- Mohr, J.J. and Nevin, J.R. (1990), "Communication strategies in marketing channels: A theoretical perspective." *Journal of marketing*, Vol. 54, pp. 36–51.
- Morgan, R.M. and Hunt, S.D. (1994), "The commitment-trust theory of relationship marketing." *Journal of Marketing*, Vol. 58, Iss. 3, pp. 20–38.
- Mukherji, A. and Francis, J.D. (2008), "Mutual adaptation in buyer-supplier relationships." *Journal of Business Research*, Vol. 61, pp. 154–61.
- Parkhe, A. (1991), "Interfirm diversity, organizational learning, and longevity in global strategic alliances." *Journal of International Business Studies*, Vol. 4, 579–601.
- Perks, H. (2000), "Marketing information exchange mechanisms in collaborative new product development: the influence of resource balance and competitiveness." *Industrial Marketing Management*, Vol. 29, pp. 179–189.
- Phan, M.C.T, Styles, C.W., and Patterson, P.G. (2005), "Relational competency's role in Southeast Asia business partnerships." *Journal of Business Research*, Vol. 58, pp. 173–184.
- Pornipitakpan, C. (2005), "The effect of cultural adaptation on perceived trustworthiness: Americans adapting to Chinese Indonesians." *Asia Pacific Journal of Marketing and Logistics*, Vol. 17, pp. 70–88.
- Pornipitakpan, C. (2003), "Cultural adaptation and business relationships: Americans selling to Indonesians, Malaysians, and People's Republic of China Chinese." *Journal of Global Marketing*, Vol. 16, Iss. 3, pp. 75–103.
- Pornipitakpan, C. (1999), "The effects of cultural adaptation on business relationships: Americans selling to Japanese and Thais." *Journal of International Business Studies* Vol. 30, pp. 317–338.
- Selmer, J. (2000), "Psychological barriers to international adjustment: North American vs. Western European business expatriates in China." *Cross Cultural Management: An International Journal*, Vol. 7, Iss. 3, pp. 13–18.
- Snavely, M.B., Miassoedov, S., and McNeilly, K. (1998), "Cross-cultural peculiarities of the Russian entrepreneur: Adapting to the new Russians." *Business Horizons*, Vol. March/April.
- Styles, C., Patterson, P.G., and Ahmed, F. (2008), "A relational model of export performance." *Journal of International Business Studies*, Vol. 39, pp. 880–900.

- Torbjörn, I. (1988), "Culture barriers as a social psychological construct: An empirical validation." In Kim, Y.Y. and Gudkunst, W.B. (eds.) *Cross-cultural Adaptation: Current Approaches*. Newbury Park: Sage Publications.
- Triandis, H.C. (1994), *Culture and social behavior*. New York, McGraw-Hill.
- Trompenaars, F. and Hampden-Turner, C. (2012), *Riding the waves of culture. Understanding diversity in global business*. London; Boston, Nicholas Brealey Publishing.
- Trompenaars, F. and Hampden-Turner, C. (1993). *Riding the waves of culture. Understanding cultural diversity in business*. London, Brealey Publishing.
- Voldnes, G., Grønhaug, K., and Nilssen, F. (2012), "Satisfaction in cross-cultural buyer-seller relationships - influence of cultural differences." *Industrial Marketing Management*, Vol. 41, pp. 1081–1093.
- Voss, K.E., Johnson, J.L., Cullen, J.B., Sakano, T., and Takenouchi, H. (2006), "Relational exchange in US-Japanese marketing strategic alliances." *International Marketing Review*, Vol. 23, pp. 610–635.