Saimaa University of Applied Sciences Faculty of Business Administration, Lappeenranta Degree program, in International Business

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# Finnish Companies Entering French Business culture and Environment

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### Abstract

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The object of the study was to discuss the similarities and the differences between Finnish and French business culture. Other topic were, understanding and adapting to the culture, and adopting the adequate attitude, which have a more or less direct effect on the business negotiation success.

The main theory structure used was the six dimension model from the research professor Greet Hofstede, which are discussing the national culture differences. Other theories such has Edward T.Hall proxemics theories will be used in order to enter more into details. The content will be designed in order to further comprehend theories but also to complete any partial information or to create a more practical set of information toward the end of the study.

Sources and data were collected from scientific journals, business articles, academic literature and relevant and reliable internet pages. As for the empirical part an interview was carried out on a Finnish company, Tackla, The study applied the qualitative analysis methods and the data was collected with an open questions interview.

The result of the study showed that there is a clear difference between French and Finnish business culture and environment. Especially the way French business network structure is constructed and the impact it has on Finnish SME. Also regarding business negotiation and selling process in French business culture or With French partners. The study provide Finnish seller with theories that can be related to experiences, for further understanding of this situation.

Keywords: Business culture, Business relationship, power distance, personal space, Personal and working life mixing ratio, international company. SME: small to Medium Enterprise.

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## 1 Introduction

#### 1.1 Background

To study the business environment of a country is always one of the most important things to do before considering seriously to enter a market. There is no companies in the world that would do it, without trying at first to minimize the risks, considering the environment and more over the business culture that it represent. We can see in today's world, that effectiveness is one of the most important competitive asset of a company in globalized economy and that culture differences and system of adaptation is to be acknowledged by companies' leaders (Hogan & Benson, 2001 pp. 27-24).

The studies published on this topic discuss markets with a different network structure and business culture. Here is a typical example of business culture differences. It is possible to weight in the article, the difficulties of foreign companies to enter a new market with a different network structure and the importance of direct relationship with people is crucial in solving business problems that are related to local or national business culture environment uncertainty. (Salmi 2000, pp.1374-1390.)

If we combine both the points mentioned above we can conclude that in the contemporaneous global market, there is a need for efficiency and lowering the risk in business trade that implies the use of cultural analysis to seek ways of adaptation, in order to avoid "foot work", risks and further more save time and energy and for so be competitive. It could be said that acknowledging cultural differences and adopting the right manners is facilitating the process of negotiation (Gelfand , 2008, P. 89).

Being able to adapt to a culture will according to studies, provide a more stable and a more fruitful negotiation. This could be leading to a successful international business partnership (Gelfand, 2008, p. 170).

In order for a business manager or seller, to take part in a good negotiation process in a different culture, several key factors must be taken into consideration, from proxemics theories to context theories of Edward T .Hall, going through business etiquettes analysis and other related authors and issues.

> "Culture is more often a source of conflict than of synergy. Cultural differences are a nuisance at best and often a disaster." – Dc. Geert Hofstede,

This explaining the importance of understanding cultural differences and adapting, in order to avoid conflict and generate profit.

An example of a successful multicultural based system is Switzerland, a system that insists on giving people responsibility with the share of consequence that goes with it. And provide ways to take actions, resulting in a stable environment via step by step adjustment to provide a smooth progressive and adequate evolution. (Schnapper 2009, p. 377.)

This system emerged on the fact that Switzerland do not possess one culture and a common mentality set. The country has a federal structure in a form of cantons, in order to decentralize power and delocalize decision making to the smallest unit possible. Allowing the country to avoid conflicts and none desired forced cultural unification. (Hofstede 2001, pp. 63-65.)

If we now look at European Union in were both France and Finland belong to, it is a matter of fact that can be realized simply by looking at a map of Europe and by having a minimum of general culture, Europe is a multicultural continent including different ethnic groups, religion and languages (Peter Turchin 2006).

When by looking at several maps of Europe over time, we can clearly see that the continent has had a lot of experience with multiculturalism but has often failed at it. And now by looking at different historic book from different countries in Europe we can often see some contradicting information. (Peter Turchin 2006.)

If looking back to all the wars but also at the tendency of unstable political waves, the same story was repeated since the Roman Empire: the attempt to rebuild and control by restrictions, abusive ultra-conservatism with the majority having more power than minority, rushing rise of centralized power, abusive ultra-populism with the minority having more power than the majority, misuse of power, abuse of social structure and founds, disintegration of moral values followed by decadence, economic decline and blaming the neighbours until war and there it starts again. (Peter Turchin 2006.)

Also by looking at European borders, it is clearly visible that there were drawn due to strategic advantages offered by nature and not by fair and sustainable agreements. For example the Rhine River between France and Germany or the Pyrenean mountain chain between France and Spain. Are good examples of this they are only few countries that managed to come to fair and constructive agreements. (Peter Turchin 2006.)

This explains why the shapes of borders are not similar these of USA (more squared and clear cut). That is to say Europe is a very complex multicultural environment.

But culture is not only defined by the nation boundaries or language, But in a variety of other aspects as well. Culture is also define by rituals, tradition and values that are commonly shared by a group of individuals. One very important factor of culture is language and communication (Hofstede 2001, pp. 9-10).

Network structure or how the relationships are built with in the country are also as important in understanding the dynamic and thus participating in fruitful negotiations. If we consider the following funnelling approach, the Strategy-Tactic-Action.

Network structure or organization is taking part in developing strategies that are interconnected with structure, culture and control. In other word the one makes the others and vice versa. (Hofstede 2010, p.372)

It is well known and appears as evident, that we live in a globalized world, where different cultures are evolving together. Doing business with a country that has a totally different culture and civilisation, requires certain knowledge, notably in behaviours, attitudes and rituals. This study will help companies from Finland to further understand these factors of cultural differences with France.

#### 1.2 Objective and delimitation

#### 1.2.1 Objective

The purpose of the study is to empower Finnish companies with given knowledges and further communication skills that could be applied during business negotiations in French business culture and environment. In a general manner and briefly as an introduction, the purpose is to understand the network and relationship structure in French market. This will be done partly by pointing out the differences between the two cultures.

The scope will then be restricted, tightened and developed around the main topic; Finnish business relationships in France, focusing precisely on cross cultural negotiation in B2B partnership.

The recommendation based on the theory and empirical part, will give feed back to Finnish companies. This is in order to close the cultural gap via the help of cultural and environmental understanding and further adoptation.

#### 1.2.2 Delimitation

The study provides a deep analysis of French culture, environment with adequate recommendations. The study will only parallel Finnish culture when needed. The topic do not treat historical issues but can refer to it. The topic focusses on business culture and not culture itself. The environment will be explained with economic magazines and newspapers to have an accurate view of the situation. a map can be used to highlight a statement, but this only in order to introduce a subject or topic of discussion.

Only one company will be used in the empirical research but the research will be made in order to collect a maximum of meaningfull and relevant information.

The study focusses mainly on French business culture and environment, as the main objective is a better understanding of its complex and coded structure.

#### 1.3 Research questions

What are the professional relationship processes, behaviour and the differences to acknowledge for Finnish companies in order to successfully prosper in the French market?

Sub-questions related to this topic would be: What are the processes toward which relationship are created, developed and further maintained? And how are French procedures are applied in order to build a relationship?

This concerns the action part or on the field elements. The daily or constant actions made by the negotiator or the seller and in some cases the manager. That could have a potential effect on the business. The study uses for instance Hofstede 6D model to analyse French business culture, as it is tightly related but is purely theoretical.

How is build the structure of the French economy built and how can its dynamic be describe? Furthermore paying attention to the way French business environment behaves and is defined. This is an element that would provide an idea of how to reach connections from a given structure in the business network, explaining the nature of relations between businesses via economic environment aspects.

#### **1.4 Theoretical frame work**

The theoretical frame work will be composed of several references from academic literature. Notably the work of Geert Hofstede on cultural aspects Will be presented authors concerning the same topic will be used as well, such as Geert Jan Hofstede who is a biologist and Michael Minkov who is an anthropologist, all are co-authors of the book Cultures and organizations: software of the mind: intercultural cooperation and its importance for survival.

Some theories from Edward T.Hall (1914) will also be found in this part. Some books on market research and analysis will also be discussed. Among that a set

of articles and scientific publications will be used to further illustrate the topic. And some basic articles or blogs, that could reveal a certain trend.

#### 1.4.1 Geert Hofstede

Professor Geert Hofstede's research contributed to the understanding of culture influence on the work environment. The author of Culture's Consequences Geert Hofstede (1928) places the first stone to the edifice of cross cultural comparison. One of his best sellers, Cultures and Organizations: Software of the Mind. His articles were all published in social science and management journals worldwide. He elaborated an empirical model of country comparison. The Six dimension Model. Processing a new helpful approach in understanding cultural aspects of international economy. His work has been recognised both by management and psychological sectors. Hofstede is regarded as one of the references in terms of cultural comparison. (Hofstede center n.d.)

This is why on French business culture and environment. Geert Hofstede has been chosen as the main reference. His theories will be used to establish differences between France and Finland and furthermore, to analyse deeper French business culture and environment deeper. Of course some other culturally related books will be used, to describe French and Finnish culture in general.

#### 1.4.2 Cross-cultural negotiations

Negotiations in general have common characteristics that can be seen in any culture. They consist of several parties with their interest, a need to find an agreeable outcome, beginning with an unknown outcome and some sort of game of strength with a strategy behind each parties. Intercultural negotiations demands more than the features mentioned previously. Some qualities such as culture adaptability and good language and communication skills. (Hofstede 2010, pp.339-400.)

#### 1.4.3 Business etiquette

In this aspect of the study, no scientific tools of measurement are available. The gathering of information from websites and the cross combination of them will give the best outcome. This part is descriptive during the process. Some detail can be more or less meaningful and the idea of this part is to point out several habits or manners that must be respected in order not to be misinterpreted. This will analyses symbols, gestures, rituals and superfluous items during the negotiation process which play an important role in cohesion and reinforcement of the cultural bonds, which allow the creation of trust to lead the negotiation to its terms. (Hofstede 2001, pp. 8-9.)

#### 1.4.4 Edward T.Hall proxemics

The theories of proxemics will be used to identify how to approach and communicate with different cultures. Notice that as Geert Hofstede mentions in his book Culture and consequences, that Individual programing is the truly unique part that can be differentiated from collective and universal part. (Geert Hofstede 2010, pp.2-3). That is to say the proxemics theory is depending on the culture as below, but also on the individual as we saw above.

Here is as an example the way English would use telephone. Only for emergency or business issues. As a matter of fact an English person would rather send a note or leave a message as it is since as more polite for of entering the layer of personal space. (Hall 1966, p.140.)

Edward T Hall is theories on the range of space intimacy, is directly determined by cultural factors. The research reveals that the range of each zone is appearing in different proportion throughout different cultures. The importance of this factor is underlined in his study thus it can lead to disruption and misinterpretation of communication. (Hall 1966. p.134.)

#### 1.4.5 Personal life and working life connection

This part will simply compare Finnish and French cultures, depending on the extend of which professional environment is attached to personal environment. For example, if it is suitable to invite a business partner to a family dinner. Or is it important to get personal with a business partner. What kind of gift are acceptable and polite. What can be declined and what must be accepted, in order to remain polite. Measuring the dimension of which social bonds and their importance in French business culture.

#### **1.4.6 Nonverbal communication**

Nonverbal communication is a crucial part of communication that requires high level of social intelligence to be precisely noticed and interpreted. It implicates all elements and attitudes but not the content given when a person is talking. It is composed of speed, tone and volume but also voice, gestures, eye movements and contact and to some extent dressing code and appearance, these are communicative do not specifically attach to the speech performed. (Web Finance, Inc n.d.)

#### 1.5 Research methods

Qualitative methods will be applied in order to collect direct detailed information given by the sellers of Tackla. The non-structured interview follows a clear plan that aim towards the goal of the interview. The plan is composed of different sub categories to be discussed during the interview, in order to guide and frame the discussion.

The design of this interview is made in order for the interviewee to give the maximum freedom of expression. With only if needed open ended questions to lead the discussion back in the frame of the study. Since the elements are minimised and the need for data collection are great also this will enables the interviewed person to freely express themselves and for so, thus it helps focussing more on the actual practical issues. (Corbine morse 2003, pp. 339-341.)

The interview will be collected in a form of paragraphs. Groups of text that will precisely and accurately describe the actual phenomena of cross cultural business interactions. Each paragraph will contain different elements or issues found during cross cultural business negotiation and selling process. It will not make differences between sellers, it will only record ideas thrown at the table and discussed.

The data collection method chosen is a non-structured interview that will take place at Tackla centre among the sellers of the company.

The goal of the interview is to collect a maximum of qualitative data. Since this type of data is usually more practical and adaptable to such research. And will give a more comprehensive approach to the study. And since previous contact with the persons interviewed were already done, there is no need to pay intention to ethics in this case, everything will be explained beforehand to the interviewed persons, and after the interview, it will be asked if the content can be used. (flick 2014, pp. 60-61.)

This will enable to provide more suitable data concerning business culture and relationship during negotiations as the participants of this study has been confronted to such situations.

#### 1.6 Structure of the study

First part of the study process will give a general idea of multiculturalism, Europe as the continent of reference (since both countries, Finland and France belong to it). Also basics of economics, geopolitics and market structure will be discussed in order to introduce the topic.

The second part will introduce several books such as theories based on research operated by several anthropologist. Also included several concepts concerning French and Finnish culture and economic structure were also included.

The study will focus more on French Business culture and environment. Since it is the main objectives is to describe the usage and custom of the country.

Towards the end a quantitative research will be performed on a form of nonstructured interview in order to collect information developed around the topics concerned.

The data collected would then be accurately related to the each points included in each topic in order to expand the development of the theory part, by providing the study with a new set of cross combined information.

This will then allow the reader to see how the theory part and the practical part correlates.

After the analysis, of the new elements provided by the research. It will be time for conclusion and recommendation. In this case recommendation will be directly addressed to the interviewed person. It could be said it is a test to evaluate any potential weakness on the topic of research. In order to provide adequate and targeted recommendations.

## 2 Comparing both culture

#### 2.1 Finland in general

Finland is a country that belongs to European Union, It is situated completely at the north Eastern part of the continent.

According to foreigners Finnish people have the following stereotypical characteristics such as being introvert, hard worker if employed, heavy drinkers, stubborn in a way that they have high will power, but also in a way that they do not desire to evolve or make changes. And the last stereotype is a pragmatic designer or very engineering focussed. According to Finnish people, Finns have for values independency, high technology, and they are designers of talent. Also they mention the high rate of suicide and the fact that they see themselves as the "conscience" of Europe (World Trade Press 2010, p.18.)

Also Finland is also known as most of north European countries for giving women a major importance in society and economy contribution, a bold stress placed on gender equality that could be referred as a tradition in the country. (World Trade Press 2010, PP. 24-25.)

Finland as more than 30% of its export done in Euro Aria and more than 20% in the rest European Union members. It can be said that Europe has a major impact on Finnish economy. (Vatt.n.d.)

An article explains that Finland has a very advanced social and educational system that give the country a great competitive advantage. (Sahlberg 2012.)

Finland has a favourable system that encourages entrepreneurship as it is easy to settle a company but the non-salary cost are high. (Heritage 2016). Also, un-employment Rate in Finland was 10.10 percent in March 2016.

Also an actual demand from public concerning the revision of a costly welfare system has been examined in May 2015. The country possess high taxation rate, notably, top personal income tax rate is 31.8 percent, top corporate tax rate is 20 percent, and according to the Heritage foundation: "The overall tax burden equals 44 percent of total domestic income. Government spending amounts to 57.5 percent of GDP" (Heritage 2016.)

An economic review from Wall street journal partner, the Heritage foundation, explains that, Finland is the 24<sup>th</sup> mostly free economy in the world and that it is the 13<sup>th</sup> most free economy of Europe but public finance drastically decreased. Miss use of more than half of GDP by the government dragged the economy

down instead of a stimulating it, as the budget deficits continues to grow. Finland is none the less the third most uncorrupted country in the world. (Heritage 2016.)

#### 2.2 France in general

France is a country that belongs to European Union, it is located in central Europe. France is both a famous and infamous country for its food, and complex involvement and role in international affairs. The stereotypes of A French person given by a foreigner are: arrogance, xenophobic, hypersexual, laziness and French are seen as demanding cowards. According to French the stereotypical French are; exceptionally exceptional, worthy of envy, cuisine master, the enemy of within, Anglo-Saxon nightmare. (World Trade Press 2010, pp. 17-18.)

France detached religion and state, none the less the original religion of France is roman-Catholicism. But freedom of religion and religion diversity in France is clearly present, many conflicts are emerging from it. The religion of the person must be taken in consideration during negotiation. (World Trade Press 2010, pp.10-12.)

"Do not discuss politics or religion or past relationships..." (French common saying)

This above sentence is a golden rule in French Culture and should be applied in Business negotiation process.

Women in France have similar rights to men, even if the country is not seen as processing an image of equality as pushed as the northern European countries. None the less women have always been respected throughout time and are recognise for playing an important role in society. But they are also cases of abuse such as forced marriage in certain ethnic or religious group, even when it is forbidden by the constitution of the country. (World Trade Press 2010, pp.25-26.)

Economy wise despite the increase of purchasing power due to disinflation, the French economy grew slightly in 2014: gross domestic product (GDP) grew by only 0.2% in volume after + 0.7 % in 2013. The consumption of households accelerated slightly in the wake of the strong increase in purchasing power. However, the decline in investment is growing. The contribution of final domestic demand excluding inventories to the volume growth of GDP was + 0.5. (Lequien & Montaut 2014.)

In 2014, the investment of the whole economy went down for the second consecutive year (- 1.2% by volume in 2014, after - 0.6% in 2013). This deterioration is caused by households, whose investment in construction decreased, noticeable is also the sharp decline in government investments. However, the investment of non-financial companies accentuates its progression. (INSE France 2014.)

France is also developed unequally with some more or less dynamic regions (INSE France 2014.)The most dynamic regions are situated along Italy, Switzerland, Germany, Benelux area up to England .Which makes France a major player in the economy of European Union.

The dynamic area of France described above, refers to the European megalopolis. it is called by media the blue Banana or the motor of Europe.

Indeed it gathers with in its network, several economically strategic elements, and actors that offers two different sea access, economic actors of power and wealth, and a highly concentrated amount of roads and rivers that provide logistic advantages to trade. A concept developed by a group of geographer led by Roger Brunet. (Zonneveld & Vries & Janssen, 2012- p.220)

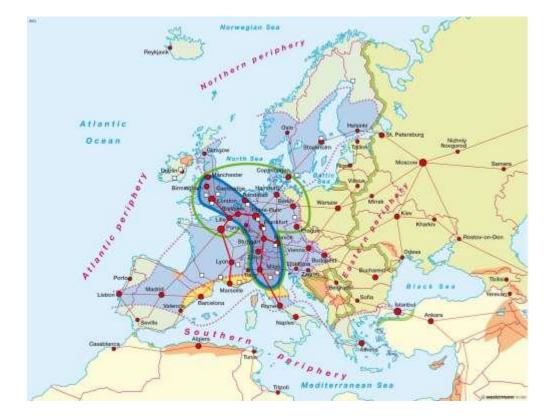


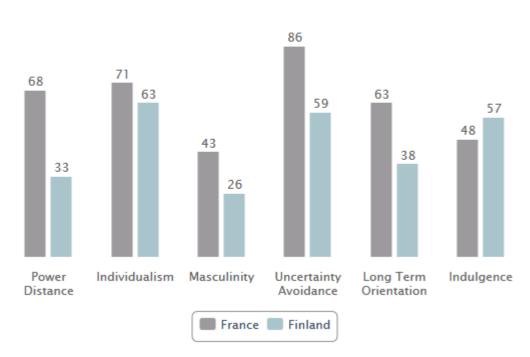
Figure 1 (Direcke n.d) (Zonneveld & de Vries, & Janssen, 2012. PP.286-287)

#### 2.3 Geert Hofstede Culture comparison

#### 2.3.1 Compering Finnish and French culture

If we look at French and Finnish culture from distance, we can see the first differences drawing them self's. Has it is possible to see from the graphic presented below, as figure 2. This graphic uses Geert Hofstede 6 d model. In order to compare cross cultural values a further combination of those values or opposition of those values will then describe the cultural balance of the country in question.

There are several other differences else than languages that should be taken into consideration In Europe.



France in comparison with Finland

(figure2) France vs Finland six D model (Hofstede center France n.d)

As can be seen from this graphic design according to the study of Geert Hofstede, based on his six dimensional program, there are several points where both cultures totally diverge. Notably power distance, uncertainty avoidance and long term orientation. Some other differences can be noted in masculinity. For Indulgence and individualism some minor differences can be noticed.

None the less the graphic only shows the shallow idea that differentiate the culture. It has to be understood beforehand that this model is here only to introduce the main differences in the dimension ratio. For that there can be several different reasons within that could contribute to the same outcome. To get a deeper look of each dimension and there meaning, as well as placing them in the cultural contexts, All the six dimensions will be presented in the next chapter.

#### 2.3.2 Taking a closer look at French and Finnish culture via 6d model

Values are programs determined by our subjective definition of rationality. They are ideals, goals not means. And their acceptance and reliance is either taken for granted unconsciously or drawn and brought up through experience or external authority. (Bem 1970, p.16.)

Furthermore values are based on feelings that can be measured by intensity and orientation, referring to mathematics via signs that allow their representation on a line. Holding a value, will then defines its relative intricacy by measuring its intensity and further judging with personal related factors, the positivity or negativity of its outcome. (Hofstede 2001, p.6.)

#### **Power Distance**

For power distance France scored 68 which reveals the acceptance of unequal power distribution between people. According to Hofstede research, France uses a centralized system. With a thicker level of hierarchy, meaning more indirect contact from top to bottom and no possible contact from bottom to top. Superiors are inaccessible but can give orders to subordinates. (Hofstede centre 6D.) (Hofstede 2001, p.79.)

Also according to Hofstede, the fact that France processes a high level of power distance, makes French employees afraid of disagreeing with their boss (Hofstede 2001, p.123).

For Individualism France scored 71 close to Finland is 63, meaning both countries have a culture where people are supposed to look after themselves and their close family only. France possesses rare combination of high power distance and individualism that can only be found elsewhere in Belgian's culture.

According to Hofstede this appears to be a contradiction in French culture but he also insists on saying that it reveals something deeper that is not possible to see in graphics. That has to be interpreted in a cultural frame, revealing the structure of French society, a caste society, with no other way than revolution or strikes to make change, not by smooth evolution and adaptation. (Hofstede centre France, n.d)

Also worth noticing that a person from a lower caste will avoid to mix personal life with working life as the emotional attachment for what the direction say is strong in the work environment. (Hofstede centre France, n.d.) Notice carefully that this only concerns those who belongs to lower and middle class.

France is a highly hierarchic society since its power distance is 68, managers and directors of companies and especially big companies, have a certain prestige and will not lower themselves to do the job of one of their subordinates. (Hofstede 2001, p.102.)

As opposed to countries with a small power distance index as Denmark with a power distance index of 18 (Hofstede 2001, p.102). And Finland with a power distance index of 33 (Hofstede centre France, n.d). It can here, pointed out a bold difference between the structures of relationships in professional environment. As it would be acceptable for a manager or director to do the job of their subordinates and the access to directors and managers is direct and easily obtainable. (Hofstede 2001, pp.102-103.)

Also power distance can vary in different domain or institutions, notably in familial situation, there can be a different power distance compared to in professional situation. (Hofstede 2001, p.79.)

When it comes to masculinity, both countries scored low meaning, the orientation of society and individuals is more on the quality of life than being competitive. (Hofstede 2001, pp.279-280.) Features of importance given to men and women according to Hofstede are the following.

"For men; advancement, earning training and up-to-datedness" and "For women; friendly atmosphere, position security, physical conditions and manager cooperation." None the less no significant differences were found concerning; Challenges and use of skills, and neither in personal time needs. (Hofstede 2001, p. 281.)

#### Masculinity

Both countries France and Finland scored in the similar trend, which is feminity. It is not crucial to further develop the topic on that point. None the less it must be remembered that France scored almost two times higher than Finland, and for so some adjustment must be done on that point, in order to adopt, taking a slightly more masculine approach during negotiation will be needed.

#### Uncertainty avoidance

About uncertainty avoidance, the score between the two countries reveals a difference. Finland with 59 and France with 86, which means according to Hofstede that French have a hard time when it comes to ambiguity, in other word, the situation must be clear before taking actions. (Hofstede 2001, p. 149.)

It can be noticed also that French do not like surprises, appreciate particularly to having all information beforehand. Uncertainty avoidance is also according to Hofstede a way to re-establish balance, allowing emotional safety in order to compensate for high index in power distance and Individualism. (Hofstede centre) Also one point brought up by the mix of both Uncertainty avoidance, power distance and individualism. Is an aspect concerning rules and regulation, French appreciate rules none the less power owners are more privileged and for so more intended to break the rules. Average person will seek the favour of privilege person in order to beneficiate from the same privilege (Hofstede centre, n.d.)

This shows the importance of relation in France. And gives one view of the network structure. We can shortly conclude that relationship are based on power.

#### Long term orientation

The index for long term orientation is 63 for France and 38 for Finland. France is clearly long term oriented. According to Hofstede, Long term oriented culture, have their members learning what values in the familial circle. Which as for effect to create connection between family and work, and more precisely family entre-preneurship. (Hofstede 2001, p. 359.)

As we have seen previously, French is a country of caste (like in India), and lower and medium class avoid mixing personal life and working life. In the last statement it can be seen that entrepreneurs and leaders in general, meaning people

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from the upper class, tend to mix working life with personal life. This statement will be further explain in the business etiquette part of the thesis. But reveals the complexity of French culture.

As it comes to long term orientation Finland scored low, 38 points, which means they have a strong concern with establishing truth in a normative way. Focussing on quick results and tending not to make planning or savings for future. (Hofstede centre, n.d.)

#### Indulgence

Indulgence is the extent of which people keep control over their impulsion and desire. It is a crucial part in implementing social behaviours into individuals of a society. (Hofstede centre, n.d.)

France scores 48, which is a pretty average score, none the less according to Hofstede, a Low Indulgence combined with a high score on uncertainty avoidance, reveals that French are less relaxed and enjoy much less life than it appears (Hofstede centre, n.d). This statement will also be use in business etiquette, notably in Body language, the idea of a "mask of smile "will be explained.

Finland scored higher on Indulgence which means more leisure time, and less hesitation to follow desires or impulsions. The Finns are striving more to enjoy life. (Hofstede centre, n.d.)

#### Conclusion

By the previous analysis made by Geert Hofstede, we can conclude that the two country share very few similarities culture wise. And also relationship structure wise. The roles of each individual is not represented the same way in both cultures.

None the less they share the same value of high individualism, in other words a low collectivism. Which is a similar trait found in society in Europe especially moderated to cold climate. (Hofstede 2001, pp.253-255).

According to Hofstede there is anyway a conflict resigning in the fact of whether or not culture can be compared. And that in order to be able to compare two different culture, the ideal would be an approach of three points of views referred as levels of analysis. (Hofstede 2001, pp.24-27.) Notably combining idiographic and nomothetic, emic and etic, qualitative and quantitative elements. (Hofstede 2001, pp.24-27.)

Again according to Hofstede, studying only the similarities or the differences of two culture, can be fruitful if using the levels of analysis. The authors is mention that two dimensions from the six others can be cross analysed becoming a point in a plot. When three dimension are analysed it becomes a point in space. (Hofstede 2001, p.28.)

Typology of such kind are easy to grasp but are problematic in empirical research, as in practice seldom cases do not correspond to an ideal type but more likely to a hybrid type (Hofstede 2001, p.28). Which explain the importance of entering into details and being highly critical when analysing a country with the six dimension model. (Hofstede 2001, p.28.)

This reinforces the importance of the main objective, to study cultural differences and investing in research in the domain of French Culture and environment for Finnish companies, notably SME that do not always possess the competitive asset of costumer references.

## 3 French business etiquette

#### 3.1 Dressing code

French are very famous for their "haut couture" fashion industry is an integrated part of the culture. The dress code in France is a crucial tool of nonverbal communication as it is according to French, a way to tell about your social statue. During Business events, a suite of high quality is highly recommended. Tuxedo are for formal occasions and when it comes to informal occasions, a jacket and a tie is none the less highly recommended. Jeans, baskets, sweaters and caps are only acceptable for sport or in street. That being said, be careful not to use too many colours. Blue should be avoided as it is an army recruit colour in France. (Business culture, 2014.)

When it comes to dressing in most western countries, there are certain rules to respect in the matter of dressing. Those rules are particularly important to follow in France. Simple details such as choosing clothes that fit well, no short sleeves with tie, clean and new shoes, adequate trousers' length, socks that match with pants, belt should match with the colour of the shoes and the tie should reach down to the belt buckle, choose the right colours according to the event, no back pack, clean and common haircut and no eccentricity, not too much jewellery or cologne water, basically nothing vulgar or excessive nor eccentric. In order not to be seen as a non-acceptable person. (Reeves, 2016.)

It is essential to understand and be aware of such knowledge. Understanding the values, the symbols and accommodating to local rituals, in order to fully benefit from the new environment. (Hofstede 2010, p.428.)

Clothing is a part of symbols, since we saw earlier that French use it in a ritual process base on the form of a social distinctive tool. Moving forward knowing, understanding and adopting beforehand the cultural elements that constitute the environment, can help avoiding cultural shock and depression. (Hofstede 2010, p.429.)

#### 3.2 Gifts

As we have seen previously some caste in French society, the upper class in French society, tend to mix family and business life. It is a not common thing to bring a gift to a French business partner during negotiation and business deal. But it is polite to do so to his family if invited for a dinner within his personal circle. The most important thing when giving a gift to a French person, is the quality of the gift not the quantity. The gift must be wrapped properly and will be opened in front of the giver. (World Trade Press FR. 2010, p.1.)

Also important to mention is that a gift of intellectual or cultural value are highly appreciated, comparted to a gift with in big the name of your company will be seen as gross and obsessive (World Trade Press FR. 2010, p.2.).

None the less, it must be mentioned that certain gifts, can be seen as bribery and as corruption attempt. France has scored 23 out of 168 country in the world. Corruption is not well since, but exists. (Corruption by country / territory, n.d.)

Corruption can appear at different levels, and can be more or less legal. It is a process with pretty much a lot of ambiguities. Corruption can be also seen as different in different countries. Corruption is all those processes that are done outside of the taxation frame disrupting and blurring the economy. (Laurence & Cockcroft 2012, pp.2-9.)

#### 3.3 Dining etiquette

French are very serious when it comes to food, there is a whole process for each meal and some acceptable dishes at certain times of the day, for example, forget about sausages in the morning or vegetables, croissant and coffee is the norm. During the lunch, meals are usually heavier and consistent. And in the evening, light salads or vegetable dishes are usually served. (Mas & Victoria 2014.)

During a business negotiation a bottle of wine can be shared, none the less be careful not to drink too much. Being drunk is not tolerated or can be depending on the situation and the person dealt with. But in general a glass of wine is mandatory. Drinking a little is normative. Not drinking at all is very desirable and neither drunk. (Samuel 2015.)

Also dietary products or sport supplements are not highly regarded. Protein powder, having a life oriented towards gym or bodybuilding is not well seen and accepted.

(Alexandre 2011.) It is important to behave in a very normal, non-obsessive way. Do not pull out the protein shaker in a middle of the negotiation, pretexting the need for some protein or the follow up of a diet. It will appear extremely ridiculous and chances are all your credibility will be gone.

#### 3.4 Respect of hierarchy and time frames

Greeting the person with his or her following title is very important, and shows great politeness and consideration. (World Trade Press FR, 2010. p.2.)

Being punctual in north but expect to be late in south or to wait to be received. Also during a business negotiation it is important to remember and accept that you should be on time, nevertheless if your business partner will arrive in time or not is hard to predict. (World Trade Press FR, 2010. p.2.)

Hard to predict but not unpredictable, according to Hofstede. Previously we analysed the cultural dimension and went to the conclusion that France is a society of caste and hierarchy, with Latin features which creates a situation where the less powered tries to attract the favour of the empowered and the empowered benefit of a sort of exemption to follow the rules due to the prestige of their position. (Hofstede 2001, p.102), (Hofstede 6D model, n.d.)

Crossing both previous paragraphs and using logic you can predict that if your social statue is above the one of your business partner, he will be on time. And that the more your business partner will be late, the higher his social statue and the lower he estimates yours.

If any misunderstandings occur between parties of the same social caste, the-French will usually use their famous oral joust. (Larousse, n.d.) Determining who the best is by who is the loudest or who as the highest social statue, just as one of French national symbols of vigilance pride and loudness as the sun rise, the Gallic rooster. (Wisegeek, n.d.)

This an expression commonly used by French speaking neighbouring countries, describing the way French argue, as a verbal way of fighting rather than actually fighting.

#### "La joute verbal"

Locution composed of jousting a "friendly fight" and an oratory adjective "verbal" to clarify that the battle is limited to use of words

#### 3.5 Vocabulary use and small talks

French are proud of their language and the culture that goes with it. Speaking French is a great plus during negotiation, especially if fluent. None the less apologising for not speaking French and appearing sorry about it, will help softening the process of creating and developing a relationship with your new associate. (World Trade Press FR, 2010. p.2.)

French use polite forms when speaking to an unknown person or during official events. But will be unformal with friends. None the less the use of vulgarities, only could be noticeable in the lower and middle class as acceptable. (Coffey 2014.) French is also a language with a multitude of synonyms, each with a certain degree of meaning or intensity. Which makes its handling particularly hard but also very precise.

When it comes to small talk, French are particularly sensitive to it and requires its usage as a social lubricant. How ever the subject of conversations are limited and mistakes can easily be made. Remembering the rule of no politic or religion nor relationships story related is crucial. Using simple daily facts or random none important information and talking over it is a good strategy. Also keeping the pace or rhythm of communication and feeding it (Meyer 2014.)

## 4 Nonverbal communication

#### 4.1 Proxemics

According to dictionaries, proxemics refers to the study of communication or symbolism of spatial arrangement done by people. In simple words, what does in a certain culture and context, mean, the way people choose to be more or less close to each other's. (Cherry 2014.)

Since it is a choice people are able to make, it belongs to the top part of the pyramided realized by Hofstede.

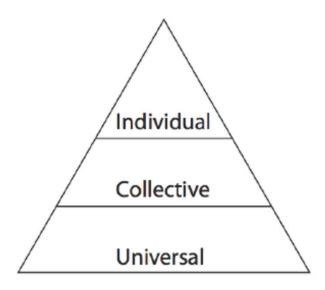


Figure 3. Hofstede's pyramid of mental programming (Hofstede, 2001, p. 3).

Individual Also included to the collective in some extend. Hofstede mentioned that culture is a type of mental programing, relying on the social environment, starting from family, up to the working environment, going through school and other social area. (Hofstede, 2010, p. 5)

So it can be said that the proxemics factors of a person is roughly based on the culture, and refined through the individuals themselves. That implies, that the use of proxemics is crucial to understand cultures. (Collins 1979.)

Now if we look at proxemics in general, several layers or zones can be noticed that apply to each individual. The intimate space, the personal space, the social space and finally the public space. Also according to Edward T.hall the culture has an impact on the structure and proportion of the zones. (Cherry 2014.)

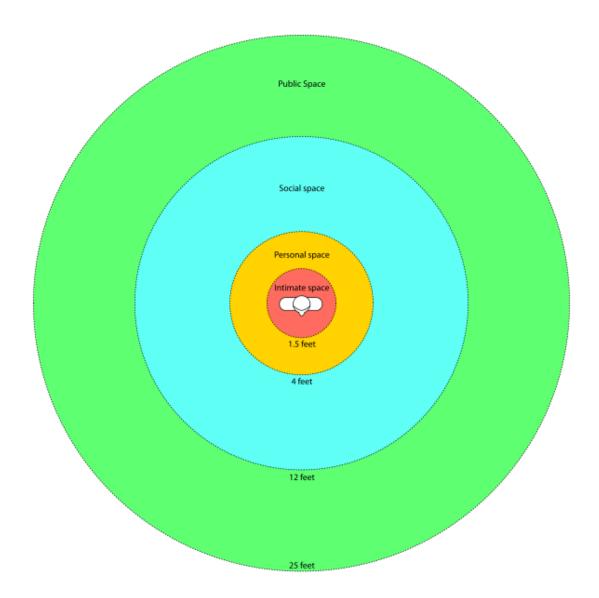


Figure 4 (Cherry 2014.) Edward T.hall Proxemics theory in a graphic representation

#### 4.2 Body language facial expression

Facial expressions are a common and spontaneous part of nonverbal communication. It has been part of the communication process for centuries, if not millenniums. Facial expressions are the result of emotions, a reflex that humans incorporate genuinely, while communicating or not, a reflex that can indicate a certain emotion (B. Fasela 2003 pp. 259–275.)

It is important to understand that French are from a Latin culture and for so, Latin based use the body language and facial expressions more in comparison with other cultures found in Europe. (Business culture 2014.)

A Latin based country is using more nonverbal and facial expressions, it also means they are more sensitive to it. And for so can easily read it and interpret it. Also French are more likely to use facial expression as Italian would prefer to use hand gestures. It is difficult for some people to understand the meaning of it. (France 24 in Paris 2011.)

#### 4.3 Professional and personal environment mixture

It was discussed previously that Some French do not mix family and business and some other do. This is depending on the social class. The individual and the type of business owned. (Hofstede 2001, p. 359.)

We can say that French have a little connection between personal life and professional life. And as we saw earlier, France is a caste society. (Hofstede center 6D, n.d.) And that can have another meaning as well. French PDG or High level CEO, will be more personal with some one of the same rank in A different country than some one of his own country but of a lower or higher social rank. But for what comes to medium and lower social classes, avoidance in mixing private life and professional life is a standard attitude. But those statement are really relative to the individual and must only be acknowledged, according to the case.

## 5 Empirical study

#### 5.1 Process plan

The topic discuss mostly information concerning specific attributes given to a narrow domain, namely France business culture and environment. Also due to the fact that only a few person were interviewed. A Qualitative research was be implemented.

This research will take place in several steps, the first step concerns the interviewer that will have to design the content of the interview, the main subject of conversation and then further let it be developed by the interviewee. During the interview some material such as a map or graphics will be use in order to introduce topic of conversation on a specific matter. (Cohen & Crabtree 2006.)

During the interview, the interviewer will face all the concerned interviewees, and will have for only control, the orientation of the subject of discussion. Using indirect approaches, such as evoking certain events or situations, leaving the interviewed person freedom to develop the conversation as wished. (Cohen & Crabtree 2006.)

The interviewer can at any during conversation in order to insist on details or specific related sub topics. If any disruption in the conversation occurs, question could be asked, only open ended questions. (Cohen & Crabtree 2006.)

The data collected during the interview, will be developed in a form of a report after meeting all the concerned interviewees. The content of the report will then be analysed using qualitative data analysis methods, analysing the relation of each topic review in the interview towards a theory previously seen.

The theory will then be validated for suitability to the actual and factual outcome of the interview. Matching the interview founding's with theories and difference at first, two types of outcomes, revealing coloration or none coloration between the theories and the practical issues. In the second phase, will be analysed in correlation and none correlation.

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Recommendation will then be given mostly highlighting the topics when cases of non-correlation and negative outcomes are noticed. In case of correlation with positive outcome, the phenomena will be explained with no specific recommendation. And in the case of correlation with negative outcome then the theory will be revisited or placed facing its relativity.

#### 5.2 Research methods

The research method is based on Interpretation in Qualitative Market Research by Ereaut (Ereaut n.d). As a guide line for structuring the phases.

Gathering information about five sellers including the manager of the company that happened to have had experience in business negotiation or selling with French or in France by asking if the sellers in Tackla has had any connection with France or French persons during business negotiation or selling process. The objective of the research is to collect qualitative data that could provide an extension to the theory and idea used in this research. And hopefully to validate them and place them in a more practical use in the future. The method of analysis is qualitative and the interview will be non-structured, in order to maximize the potential of data collection in this study. And further verifying if the theory work on practice by using a method that parallel theory and data during analysis process, soon after data collection. (Morse 2013, pp. 339-341.)

The non-structured interview was none the less planed in order to frame the content. Indeed guidelines were used in order to bring up certain topics. The relevance of the study could be placed in question. But it is to be understood that most Finnish companies that sell cross border wise (e.g Nokia, Kone and Fiskar), are relying more on costumer reference than on actual personal selling methods. This reduces drastically the frame of the population of concern. More over rare that the SME in Finland are doing business cross border wise. Furthermore the number of companies that offered data for the study was limited to one.

#### 5.3 Preparing interview

To prepare the interview a plan based on set of topic from the theory was elaborated and since it is a non-structured interview, no design of questionnaire was needed. Each part of the theory will be introduced as a subject of conversation, and the five sellers of Tackle are free to add their own knowledge or experience.

The interviewer will take notes while the interviewees are speaking. So a pen and a piece of paper will be use.

There will be no structure of how the interview will be conducted, the topic will be related naturally in no specific order. This will enable a set of data to provide a certain logic that reflects the actual practice circumstances. At first, it will be introduce the topic of how the contact with France was establish. As a transition the topic of power distance will be explained, sellers will then be asked to identify it, in the overall idea of doing business with French. Again as a transition the topic of power distance will explained, sellers will then ask to identify it, in the overall idea of doing business with French. Again as a transition the topic of power distance will explained, sellers will then ask to identify it, in the overall idea of doing business with French. Then a suggestion was my by the interviewer notably stating that, since both countries are in Europe and in Schengen, Could they be any other options to consider, which brings us to the next topic, the blue banana and what does connections sells can create with it. Finally moving on to the one of the longest transactions with a French customer. Evoking the memories of the seller during that event.

The interview will be realized, will be assisted with a presentation, the interviewed will be asked to react to the element brought up by the interviewer.

The logic of the interview or the frame, can be identify as such, on one hand general approach on network structure and environment and on the other hand general impression on dealing during negotiation and selling process.

The interview will be very informal and familiar. The already long established relationship between the interviewees and the interviewer, greatly facilitate the process. It will not be required to be gentle and delicate. Digging deep and pulling information of quality in detail is possible in this case.

#### 5.4 Interview and data collection

The interview took place in the meeting room in Tackla centre Lappeenranta. First of all with a little bit of small talk with all the participants and slowly drifting to the topic of concern.

It is to be noted that the main subject of conversation often change into another subject of conversation, related to that matter. Most of the time economic or politic related and also talking about the capacity of the company and the extend of investment possible for project in France.

We can distinguish to point in the content of the interview, Business culture issues and social and economic structure of environment consequences. The interview results are done according to sales men point of view.

# At first, it was introduce the topic of how were establish contact with France.

So far Tackla's negotiation with French has been done either by contacting them, or by being contacted. The initial contact has been done in several ways, E-mail, telephone and sometimes face to face.

The strategy according to sellers is to use telephone first in order to prospect French costumers, if these seem interested by the product and services Tackla has to offer, an E-mail will then be sent with price list and delivery quantity/cost ratio, and the yearly catalogue of the company. This is how the company proceeds.

The emails are very formal and polite. Purely ascetic and pragmatic. This method is particularly cost effective, especially if performed for several countries, by one seller that speaks several languages. Since the production of an Email does not require raw material.

In the case of face to face transaction and negotiation, the process occurred so far only when French potential business partners came directly to Tackla centre in Finland. According to sellers it can be noted that some French business partners have good English and some other do not. Furthermore it was noticed that the language barrier is a big obstacle since it affects negatively the amount of potential consumer. Most of potential consumers have been found having difficulties in using English language during business negotiations.

In cases when the French business negotiator speaks English, it was found the need to be more personal and using small talk at first, sellers noticed the need to create some sort of relationship before entering into business matters.

In most cases French customers come to the shop with a familiar but respectful and relaxed mind-set. This is due to the business domain or sector, which is in this case the company, sport, explains one of the seller. It was noticed that French are very polite compared to other consumers from many other countries. It was noticed that they are more patriotic than Finnish people but it a different way.

## As a transition the topic of power distance was explained, sellers where then ask to identify it, and the overall idea of doing business with French.

It has been found that the distributors are hard to reach and not very cooperative, seller also recognised that the high delivery fee of the company is playing in disfavour to its competitive advantage, Tackla is also considered as a SME, and the distributor would need to buy a quantity of 200 000 products at least in order to nicely reduce the proportional ratio of expense over the delivery costs. The company is an SME from Finland, trying to deal with big French distributors.

## Since both countries are in Europe and in Schengen, could there be any other options to consider, which brings us to the next topic, the blue banana. Anny potential prospect?

It has been discussed during the interview if the sellers were aware of that concept called the blue banana. Smiles and laughing occurred with a hint of wonder. Most probably the name appeared not serious enough, but once explained, the connection was created with the fact that it is easy for companies that are located in that aria to have cheaper logistic and delivery than in Finland, since Finland is not belonging to that area of intensive economic transaction in Europe. The sellers also appear to know very well the Network structure of Finland, but were clue less about the network structure of France. Resuming the all conversation that took place in the meeting room with sales department, it can be notified that the most important issue encountered while dealing with French business are, The Language barrier, more than the cultural barrier, it seems the sellers knows the main principles and have a pretty international background making them easily ready to adapt and make adequate changes. Nonetheless deep knowledge of culture behaviours and rituals where not always clear.

Also it has been discussed with the manager that is also taking part in the selling process of the company that the network structure of France is very economically dynamic and most of the direct competitors of Tackla are already well established there. Not to mention the delivery fees and lack of consumer reference of the company in France despite the good quality and a fordable offer and brilliant past in sport industry.

Also it was taken in consideration that for most transaction Tackla only accepted prepayment. Also the fact that only big distributors are not easily accessible in France with what the company position and what it has to offer and are selling for big trends already. It was noticed that France is a centralized system with distributors that are a key element to access the French market with relevance. The competition is hard. It must also be taken in consideration that France is not known for ice Hockey, and for so the market size is reduced.

It was also parallel that there is much less difficulties selling to neighbouring countries. Even outside of Europe and also overseas like in Japan. That selling in France, mostly due to the network structure and language barrier and the lack of cultural or international adaptation of French business partners. In general it has been noticed by the first seller of the company that the business deal and operations differ greatly according to each countries and culture. Both from a network structure and a cultural or personal point of view.

And that business with French were coming to an end mostly by face to face negotiations which bring use to the next topic

## Moving on the one of the longest transaction with a French customer. Evoking the memories of the seller during that event.

If we take a look at one of the transaction realized face to face with a French retailer. The business person entered the shop and introduced himself briefly and with some small talk of no great importance. Then discussion took place around business issues.

Along the process the French business man was treated has a guest, invited to assist the ice hockey game in the lounge reserved by Tackla. Food was served there, normal basic food in a self-service buffet, The French business man was offered vine during the meal, he drunk a couple of glasses. There was no cheese and no desert, he was offered cognac but refused it.

During the process of acquaintance, not much personal information or detailed information on the business were collected. Also the seller notified that the French person seemed more talkative at first and slowly slowed down on the pace. Also the seller tried to speak some French words, just to create a more friendly and convivial atmosphere.

Later on the deal was concretized, small amount of standard quality product was ordered as a sample, and given as a gift a jacket with the logo of the company in big was offered. The facial expression at French business partners has not been noticed. But it was clear that there had been. But they were not taken in consideration by the sellers.

It is not known by this day the reason why no further contact and transaction were established with that person. Speculations were that the French business did not manage to sell the product well or fast enough, resulting in a bad stock turn over, or that the business closed down, since the French business man never replied any e-mails sent to him after the first transaction. Also the transaction occurred in spring and it is possible that the products were not sold in the right season. No feedback was received from this costumer.

The French man appeared friendly and talkative and open to do business. But not often ending in actual business contract, which was a little disconcerting. Nonetheless the company does not only rely on the French market, only wishes to develop it a little more, in the most cost effective and efficient way.

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Also the problem of finish companies in after selling service marketing was pointed out during the conversation, and the fact that the pace of keeping contact with French business on a long term seems complex.

According to sellers, the French need regular contact in the long term, where Finnish consumer will only come when willing to. Never the less the sellers were always calm and never showed frustration or negative emotion nor resentment toward French business negotiations. As it was always polite and in good manner, if comparing with other countries.

It was also discussed that profitable, selling directly in France on face to face, is too expensive, risky and not profitable. this brought the conversation back to online selling and Telephone prospect, that are cost effective, but requires French speaking person that is hard to find, and is not as effective has face to face selling. From where the need to find big distributors In France in order to sell to one person in big quantity.

## 6 Findings, Conclusion and recommendation

Next will be presented and sorted the elements that correlate with theories and had a positive outcome, also the element that did not correlate with the theory and had a negative outcome and the element that correlate with the theory but had a negative outcome.

The Language barrier has been found to be a difficult part during negotiation and selling process, has we have seen in the theory part, French are very proud of their language, and would prefer not to hear it misused. The solution here, is to either speak fluent French or then only use English and avoid practicing French during the negotiation.

About small talk, it was seen in the theory part, that for a French person, it is a sort of a social lubricant. It enables to get more personal and familiar with the other party. During the negotiation process, sellers and negotiators are experienced and adaptable, they intuitively know how to handle small talks. One sellers

quote was: "you have to play a role "meaning, the goal is to sell, and you must sometimes forget your opinions, and behave according to the situation.

About the environment, and more precisely the network structure. It has been said that France is a highly hierarchic society with a high power distance, and a high individualism. Also related with some Latin features, make French high position persons hard to reach and creates a caste system in the society, where the lower levels tries to attract the favours of the powerful in order to beneficit from special treatment. This can be observed in two situations, the French small business owners are initiating the effort to come to the shop to negotiate. But the Big French distributors are hard to access and are the one that usually lead the negotiations.

Also about business environment. It was show on a map of Europe the area of massive economic fluctuation, France benefits from it in several ways, notably logistic and cost effective deliveries. Whereas Finland does not have the similar chances in Europe. Which makes it hard for Finnish SME to be competitive on European market. This has been identified as a problem for the company, on one hand there is a need for big suppliers that have access to such structures, but as we saw above, they are hard to reach. A possible strategy would be to consider using a neighbouring country with a low power distance for example Germany or Switzerland so to find a big distributor there and further use that channel to sell product on French market.

Analysing the way a face to face business negotiation and selling are handled for French partners or potential business partners, we saw in the theory part that French are talkative and require regular constant talking. That characteristic are inherited from the Latin side of the culture.

In practice it was noticed that the French negotiator becomes gradually more silent towards the end. Which is a sign that the person has lost their enthusiasm.

We also saw the use of facial expressions that are hard to interpreted (InParisvlog). And in practice we saw that The Finnish seller did not pay any attention to it. This is only due to the fact that Finnish are more pragmatic and engineered minded.

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So it could be said that nonverbal communication is seen as not so important. The content of the conversation matters most. Where French are more likely to pay attention to nonverbal communication and base their judgement on impression more than on the contents. It would be recommended in this case to pay more attention to the person facial expression and taking recoil on it, analysing when they appear and relating them to potential reasons.

We saw in the theory part that French appreciate gifts during business negotiations, but it is not an obligation, nor a tradition. It is unnecessary and risky. As it is hard to please a French with a gift, it requires quality and some sort of introspected intellectual value. Not to mention the appearance in which the gift is presented. And gifts with big a logo of the company is not well appreciated. As seen in practice, a gift has been given, a jacket with a logo of the company in big. It can be seen has a mistake, which may have given a bad impression on the potential French business partner. This must be avoided with French partners in the future.

Also during the negotiation, it is important to remember that French are very difficult with food related topics. And also with dinners or lunches. French do not see the state drunkenness as an acceptable thing. They may drink a glass or two of good wine. Also strong alcohol is usually for desert or between cheese and desert or between main course and cheese. Alcohol is associated with food for French and this must be remembered.

It can be seen that most of the element that had a correlation with theory had a positive outcome and that element that had no correlation with the theory had a negative outcome.

We can see that the cultural gap between the two countries is enormous. Nonetheless adaptation to new culture and environment can easily close the gap and create good relations in business negotiations. Only a few details were not respected during sales in face to face, but it must be remember the fact that individual are all different despite their culture and for so such accidents should be avoided but by themselves alone do not lead to dramatic consequences.

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The network Structure of Europe is unequal and for so requires countries to be more adaptable. Nonetheless strategies can be applied to compensate, using the strength of a country in order to compensate for the weakness of another and vice versa, as all those actors are part of Schengen aria. It will always be hard for a SME even in France to reach big distributors. But a study should be further made to see if the situation is similar in Germany or Switzerland, if not then those two country could be used as distributors for themselves and France as well.

## 7 References and figures

#### Figures

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Figure 3: Hofstede's pyramid of mental programming (Hofstede, 2001, p. 3).

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