

Developing Tomorrow's Global Sales Leader: Adapting to Cultural Differences Utilizing Role Play

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Purpose of the Study: The purpose of this research is to help students and professionals gain awareness and insights into buyers' requirements and expectations across cultures. The teaching innovation uses Hofstede's model of cultural dimensions as a foundation to understand and adapt across cultures within a sales meeting using the sales process. A cross cultural role play exercise is developed and applied to help students understand cultural differences.

Method/Design and Sample: Data were collected from 224 international students taking the International Negotiations and Selling course. Students were asked to provide a score on the level of importance on each area of a sales meeting (Approach, Discovery, Product/Service Presentation, Overcoming Objections, and Close) for three different countries: France, China and Brazil.

Results: The findings indicate that based on each country's unique culture, several areas were significantly different in level of importance. Therefore, adaptation to that country in the areas such as Approach, Needs Identification and Close were necessary in order to have an effective and successful sales meeting. The cross-cultural role play enables students to adapt to different countries and develop their communication skills based on each country's uniqueness.

Value to Marketing Educators: The purpose of this cross-cultural role play exercise is to develop students into global sales leaders. The exercise provides an opportunity to teach students how to research cultures, analyze cultural differences and adapt to those differences. The exercise provides students the opportunity to enhance their cultural knowledge and adapt communication skills in the sales process.

Keywords: Cross-cultural selling, role play, international negotiations

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CURRENT CHALLENGE IN SALES EDUCATION

Role play exercise in sales courses is a popular and impactful tool utilized to develop the communication skills of future sales leaders (Widmier, Loe and Selden 2007). Areas such as Approach, Needs Identification, Presentation/Communication, Objection Handling and Close are typically weighted on importance and evaluated. While sales educators teach students to master these steps of the sales process, they also modify the weighting and strategy for communication styles (i.e., Driver vs. Emotive vs. Supportive vs. Analytical) as well as stages of the sales pipeline, proximity to the decision maker, and type of sales meeting. However, after an examination of sales program role plays and judging criteria, it is clear that role plays are not adjusted for cultural differences, which prevents students from understanding how culture impacts the sales process. In fact, during a recent national conference presentation, researchers conducted an impromptu role play for the audience of

sales educators and instructed half to play the role of an international sales professional and half to play the role of a prospect in China. The sellers were asked to introduce themselves to the Chinese prospects and hand them a business card. As per Chinese culture, it is imperative that a business card be handed to them with both hands with the card facing them. Out of approximately 60 sales educators, only 6 professors conducted the introduction correctly.

THE MELTING POT OF SALES IN THE US

According to the US Department of Commerce, the United States remains the number one country and most attractive for foreign direct investment (FDI) (ESA 2017). Census.gov states that China is the top country for the US to do business with over the next three years, followed by Canada and Mexico. From 2008 - 2015, the number of Chinese inbound investment deals grew 273% and Chinese inbound investment to the US hit a record high of \$15.3 billion in 2015. Due to the growth in population and market potential, 42 percent of US

companies say China is crucial to their future business success. Table 1 lists top countries the US will do business with long term.

Table 1: Top Countries Doing Business with the US (in millions)

| Rank | Country | Exports USD | Imports USD | Total Trade USD | Percent of Total Trade |
|------|----------------|-------------|-------------|-----------------|------------------------|
| 1 | China | 69.8 | 295.0 | 364.8 | 15.3% |
| 2 | Canada | 178.0 | 182.8 | 360.8 | 15.1% |
| 3 | Mexico | 152.2 | 193.8 | 346.0 | 14.5% |
| 4 | Japan | 40.8 | 86.6 | 127.3 | 5.3% |
| 5 | Germany | 32.5 | 76.4 | 109.0 | 4.6% |
| 6 | Korea, South | 27.1 | 48.5 | 75.6 | 3.2% |
| 7 | United Kingdom | 36.9 | 35.5 | 72.3 | 3.0% |
| 8 | France | 20.4 | 31.6 | 51.9 | 2.2% |
| 9 | India | 13.5 | 30.4 | 43.9 | 1.8% |
| 10 | Taiwan | 16.4 | 25.9 | 42.3 | 1.8% |
| 11 | Italy | 11.0 | 29.9 | 40.9 | 1.7% |
| 12 | Switzerland | 14.8 | 24.5 | 39.3 | 1.6% |
| 13 | Netherlands | 27.4 | 10.4 | 37.8 | 1.6% |
| 14 | Brazil | 19.4 | 16.7 | 36.1 | 1.5% |
| 15 | Ireland | 6.3 | 29.1 | 35.4 | 1.5% |

www.census.gov

Each of these countries has its own unique culture, style and way of conducting business. Due to the forecasted international business growth for the US, it is crucial that tomorrow's sales leaders learn to adapt to cultural differences. In addition, first-generation immigration has consistently grown from 1970 to today (Duncan and Trego 2015), creating a melting pot made up of stakeholders from different countries, cultures, backgrounds and needs. Failing to adapt to these differences can lead to insult, embarrassment and the loss of a potential sale. *"With a rapid increase in global immigration and many large multinational firms continuing to build global account management programs, it is of great importance that salespeople and sales managers have skills in managing transactions and relationships in a cross-cultural context"* (Baker and Delpechitre, 2016, p.78). Adapting to other cultures can help salespeople understand the customers' values and improve trust in the relationship (Doney, Canon, and Mullen 1998). Other research has shown that there are strong correlations among cultural understanding and adaptive communication and intercultural competence (Rose, Gilbert, and Ingram 2001). The goal of this cross-cultural innovation is to teach sales students how to research cultural differences and adapt during the sales process by using role play as a foundation modified by cultural dimensions. We discuss the impact of role play followed by the simulation for cross-cultural awareness.

THE IMPORTANCE OF ROLE PLAY

Focus on integrating sales training and education in the classroom has increased tremendously over the past decade (SEF, 2017; Cummins, Peltier, Erffmeyer and Whalen, 2013). Sales educators utilize role plays as an effective tool to develop the next generation of sales professionals and they are regarded to be the most effective techniques used in sales curriculum (Parker et al. 1996; Widmier, Loe, and Selden 2007), especially in improving communication and negotiation skills (Good 1990). Though the exercise has grown in population and use (i.e., sales competitions such as National Collegiate Sales Competition, Russ Berrie Institute Challenge and Northern Intercollegiate Sales Competition), role play mainly focuses on how to communicate with an American buyer. The technique has not evolved to help students adapt to cultural differences regarding: approach, discovery, presentation, objection handling and close. As noted by Baker and Delpechitre, pedagogical sales literature on cross-cultural development is limited (2013).

THE INNOVATION: CROSS-CULTURAL ROLE PLAY

The teaching innovation provides students and educators with a foundation and tool to understand cultures within an international sales context. Students will gain increased awareness of potential clients' requirements and expectations, based on their different cultures. The exercise provides students opportunities

to adapt approach, discovery, presentation, negotiation and communication skills to the culture of interest. At the end of the exercise, students should learn how to:

- Evaluate the global selling environment and buyer/seller relationships
- Develop some understanding of how different cultures impact sales efforts
- Perform a role play accounting for cultural differences

Rather than teaching students to be experts in understanding all cultures, this exercise enables sales students to understand cultural differences, effectively conduct research and adapt sales strategy to the uniqueness of a specific culture by utilizing Hofstede's cultural dimensions as a foundation for comparison.

HOFSTEDE MODEL: THE FOUNDATION FOR CROSS-CULTURAL ROLE PLAY

Hofstede's cultural dimensions is a theoretical framework based on understanding and adapting to cross-cultural communications. Hofstede developed the model by examining results of global employees' views on values. The findings were the first to quantifiably explain observed differences between cultures. The original framework included four dimensions: individualism-collectivism; uncertainty avoidance; power distance, and masculinity-femininity. Hofstede's later work added two dimensions: long-term orientation and indulgence. Table 2 lists the six dimensions, a brief definition of each dimension, the cultural impact and possible items to consider related to selling (Hofstede 1986; 1993; 2010).

Table 2: Six Dimension of Hofstede Model

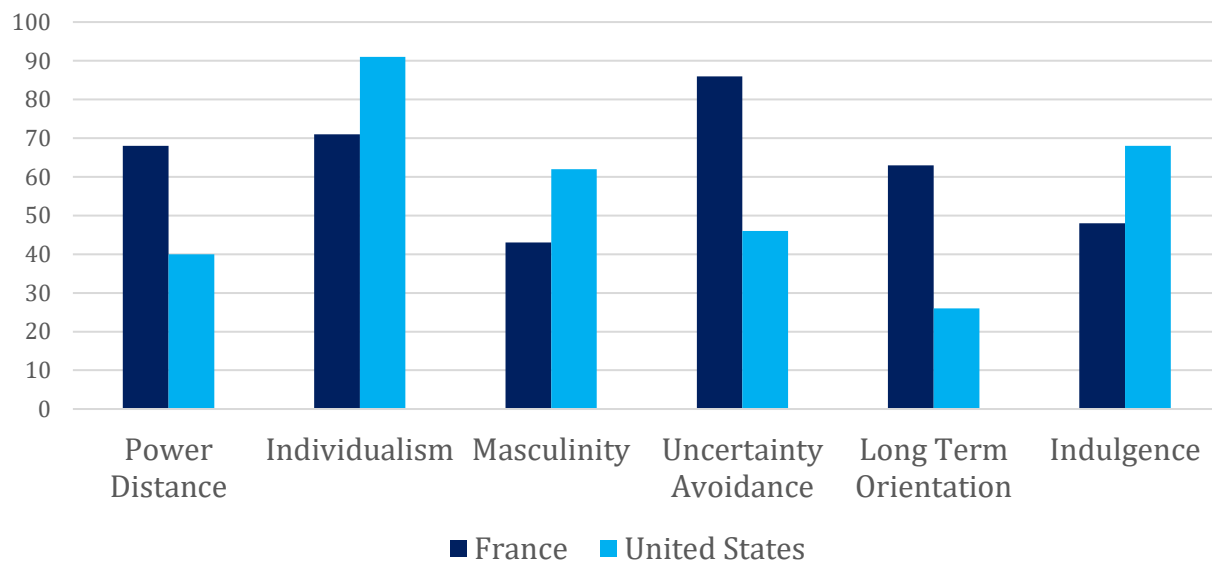
| Cultural Dimension | Definition | Cultural Impact | Sales Consideration |
|--------------------------------|---|---|--|
| Power Distance | The extent to which a culture accepts unequal distribution of power | Cultures that endorse low power distance expect and accept power relations that are more consultative or democratic. | May experience shorter decision cycles for lower power distance, and may speak to decision maker sooner. Seller may need to meet with specific individuals in cultures of high power distance. |
| Individualism vs. collectivism | The degree to which individuals are integrated into groups | In individualistic societies, the stress is put on personal achievements and individual rights, where collectivistic focuses on the group. In collectivist societies, individuals act predominantly as members of a lifelong and cohesive organization. | Collective may include more people in decision making process, may be more dynamic environment, considering many people. |
| Uncertainty avoidance index | Tolerance for uncertainty and ambiguity | People in cultures with high uncertainty avoidance tend to be more emotional. They try to minimize the occurrence of unknown and unusual circumstances and to focus on rules and laws. In contrast, low uncertainty avoidance cultures feel comfortable in unstructured situations. | In high uncertainty avoidance, salesperson may spend more time presenting data/evidence and establishing credibility, invest more time in presentation part of sales process. |
| Masculinity vs. femininity | Masculine cultures' values are competitiveness, assertiveness, materialism, ambition and power, whereas feminine cultures place more value on relationships and quality of life | This dimension is often referred to as "Quantity of Life vs. Quality of Life." | More feminine cultures may require more time in approach and creating trust and may place less value in ROI than the relationship. |

| | | | |
|--------------------------|--|---|---|
| Long-term orientation | Describes societies' time horizon | Long-term oriented societies attach more importance to the future. | When presenting to long-term orientation, the salesperson should focus attention on long-term impact and gains of the deal. |
| Indulgence vs. restraint | The extent to which members of society try to control their desires and impulses | Whereas indulgent societies have a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun, restrained societies have a conviction that such gratification needs to be curbed and regulated by strict norms. | In restrained societies, salespeople may expect longer decision cycles and should provide extensive evidence and support for the sale. In cultures high in indulgence, reciprocity and gift giving may play a role. |

Researching, understanding and teaching dimensions for each country would take more than a semester. To minimize that level of work, Hofstede created The Country Comparison Tool <http://geert-hofstede.com/countries.html>, which calculates scores

(1 to 120) for each of the cultural dimension and allows comparison between cultures. Figure 1 provides a comparison outcome of US and France on each dimension as an example:

Figure 1: US vs. France Comparison of Cultural Dimensions



The Country Comparison Tool also provides a summary analysis for each culture and each dimension. Below is a sample output report for “Uncertainty Avoidance”:

“At 86, French culture scores high on Uncertainty Avoidance. This is clearly evident in the following: The French don’t like surprises. Structure and planning are required. Before meetings and negotiations, they like to receive all necessary information. As a consequence, the French are good in developing complex technologies and systems in a stable environment, such as in the case of nuclear power plants, rapid trains and the aviation industry. There is also a need for emotional

safety valves as a high score on Uncertainty Avoidance and the combination of high Power Distance and high Individualism strengthen each other, so to speak. The French, for example, are very talkative and “engueuler”, giving someone the sharp edge of one’s tongue happens often. There is a strong need for laws, rules and regulations to structure life. This, however, doesn’t mean that most Frenchmen will try to follow all these rules, the same as in other Latin countries. Given the high score on Power Distance, which means that power holders have privileges, power holders don’t necessarily feel obliged to follow all those rules which are meant to control the people in the street. At the same

time, commoners try to relate to power holders so that they can also claim the exception to the rule.”

(<https://www.hofstede-insights.com/country-comparison/france,the-usa/>)

IMPLEMENTING CROSS-CULTURAL ROLE PLAYS IN PROFESSIONAL SALES/ADVANCED SELLING

The following section explains how the cross-cultural teaching innovation was implemented in four sections (224 students) of the International Negotiations and Selling Course. The cross-cultural selling role play mirrors role plays in Professional Selling or Advanced Sales courses, except the buyer is from a different culture. During the exercise, two role plays were conducted: one for a buyer based in the US and the second for a buyer from another country. In the first role play, judging criteria from sales competitions (i.e., National Collegiate Sales Competition, Northeast Intercollegiate Sales Competition) were utilized as a foundation to assess areas of the sales process

(Approach, Needs Identification, etc.) from a US perspective. In the second role play, each class was divided into groups to represent three different cultures. For this specific exercise, China, France and Brazil were selected, since all three countries place in the top 15 countries to do business with and demonstrated unique cultural differences.

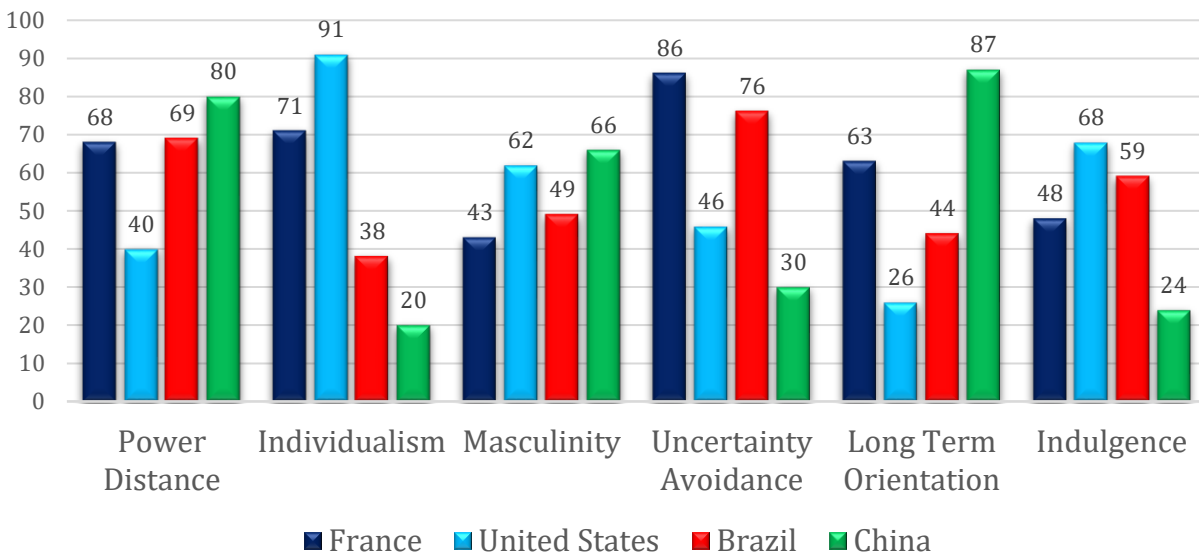
Sample and Data Collection

Due to the large number of students, each country group was split into subgroups. In the course, data was collected from 224 students, 48 groups (4-5 students per group) divided evenly for each country (16 for China, 16 for France, 16 for Brazil). The sample was collected from master’s level, French business students studying sales and negotiations in the United States. The age of the participants ranged from 21-23 years. Fifty-five percent of the students are male.

Cross-cultural Adaptation

Each group used Hofstede’s Country Comparison tool to analyze differences between the US and their assigned country: China, France and Brazil. Figure 2 illustrates the Hofstede’s Country Comparison:

Figure 2: Cultural Dimension Comparison between: France, US, China and Brazil



Based on results, each group was asked to complete an online survey and to revise the weights for each step of the sales process (Approach, Discovery, Product/Service Presentations, Overcoming Objections, Close) and discussed how they would adapt the next sales meeting based on the country’s

unique differences. Utilizing Hofstede model analysis, survey results and a deeper discussion of each country, the weights for each stage were changed. Table 3 summarizes the areas and revised weights for each country.

Table 3: Revised Areas of Sales Process

| <i>N= 224 students, 48 groups*</i> | USA | French** N=16 | Chinese** N=16 | Brazil** N=16 |
|-------------------------------------|------------|--------------------------|---------------------------|--------------------------|
| <i>Approach</i> | 10% | 20% | 20% | 25% |
| <i>Needs Identification</i> | 35% | 20% | 20% | 20% |
| <i>Product/Service Presentation</i> | 25% | 30% | 25% | 20% |
| <i>Overcoming Objections</i> | 20% | 15% | 20% | 20% |
| <i>Close</i> | 10% | 15% | 15% | 15% |
| <i>Total</i> | 100% | 100% | 100% | 100% |

*Scores were rounded to the nearest tenth for simplicity.

**Bold areas indicate cultural adaptation in the sales process compared to US markets.

Areas of Adaptation

Compared to the US, there were several areas of the sales process that were weighted differently due to cultural differences. For example, China’s dimension of Long Term Orientation (LTO), with a score of 87, was significantly higher than the US. Based on this high score and in class discussion, students revised “approach” much higher at 20%, since Long Term Orientation focuses on relationships. When doing business with cultures with high LTO, students felt salespeople should invest more time talking about family or leisure activities during the approach. Students also felt that because of lower scores in masculinity (higher in femininity and focus on quality of life), the weights for “approach” in Brazil and China were also adjusted higher. Salespeople may spend a significant time asking questions about what hobbies the buyer is interested in or what they did over the weekend or vacation. Other key areas of adaptation were in “needs identification” and “close”. Based on in-class discussion, students felt asking “too many” questions was intrusive and therefore, the level of importance was lowered to 20% for all three countries. For the end of the sales process, “close”, many of the

international students agreed that the US is more aggressive in getting commitment and wants to “rush the close,” which is in line with the American mantra “Time is Money”. Students believed that more time in the close should be invested and not “pushed”, therefore, weights were revised higher in all three countries due to the higher score in Long Term Orientation.

Role Play 2 and Best Practices

Each group was then asked to recreate a role play and discuss how they adapted to the different stage of the sales process, based on the revised weights. The students presented a role play in which they adapted their approach (i.e., more rapport building in French culture) or asked fewer questions (i.e., presented more information in France due to high score in risk aversion). The students were able to show their understanding of how to adapt to the culture’s unique differences. At the end of the role play, each group developed a “Best Practices in Sales for (Brazil, China, France)”. Table 4 shows an example summary developed by one of the classes:

Table 4: Best Practices in Cross-cultural Selling (Student Example Chart)

| French | Chinese | Brazil |
|--|--|--|
| Give your business card to their secretary. | Understand the importance of relationship “guanxi.” | Make investment in small talk in the beginning of the meeting. |
| Attention to detail is generally much appreciated in France. | Respect rank and hierarchy. | Be flexible with time. |
| Follow a rigid format with a detailed agenda. | Know the importance of keeping face “mianzi.” | Don’t talk too much, but ask lots of questions. |
| Try to not ask too many questions, seems intrusive. | Hospitality and having a meal together is preferred. | After initial meeting, plan a lunch or dinner. |

SUMMARY OF IMPLEMENTING CROSS-CULTURAL ROLE PLAY

1. Sales educators should select an existing role play available online from a sales program or

competition and tell students the buyer is from another country.

2. Divide the class in 2-3 groups and assign a different country for each. For larger classes, create smaller teams within groups.

3. Using the results from Hofstede's Country Comparison Tool (<https://www.hofstede-insights.com/country-comparison/>), sales educators and students discuss the cultural differences.
4. Sales educators facilitate a deep discussion into each country and how sales meetings may differ, based on the 6 cultural dimensions.
5. Change weights for the sales process, based on the cultural differences and level of importance of each step in the sales process. (i.e., discussing leisure activities, hobbies or family during the approach).
6. Conduct a cross-cultural role play in teams.
7. Sales educators and students evaluate how well each team adapted to cultural differences.

BENEFITS OF CROSS-CULTURAL ROLE PLAY

"The importance of culturally intelligent individuals is important in today's workforce not only for individuals to be prepared to immediately contribute to demanding organizational environments but also for individuals to navigate increasingly internationalized career development demands" (Delpechtre and Baker 2017, pg. 103).

The purpose of the cross-cultural role play exercise is to develop students into global sales leaders. By providing a framework for cultural comparison, this teaches students how to research different cultures, analyze cultural differences and adapt to those differences. The role play can help today's sales students gain the valuable skills needed to improve their communication and relate to other cultures in today's competitive global environment. There aren't enough

hours for sales educators to discuss all the unique cultural differences sales students may encounter in their professional sales careers. This innovation assists future sales leaders in recognizing customer differences, researching cultural uniqueness and adapting in a sales setting, allowing them to become competent global sales leaders.

The cross-cultural teaching innovation provides a tool sales educators can use to help students gain awareness and insights into buyers' requirements and expectations across cultures. Utilizing Hofstede's model as the foundation, students analyzed the six dimensions of culture and adapted to the specific country's uniqueness. Due to the exploratory nature of innovation, the cross-cultural exercise has several limitations. The first limitation is that the testing did not have a benchmark. Future teaching methods should conduct a pre and post test to see where the exercise had an impact and measure areas of improvement. The second limitation is the challenge of students acting out other cultures. Integrating resources such as videos that present the uniqueness of other cultures can help prepare students to be better buyers. Another limitation was the absence of an evaluation of the role play exercise. Though students did enjoy the exercise and found Hofstede's model helpful in understanding cultures, an evaluation was not given measuring its impact. An end-of-course assessment rating the innovation would provide valuable feedback on the student experience. Lastly, other resources on researching cultures should be added. Hofstede's model and country analyzer are only starting points to help students research cultures. We hope to continue the evolution of this teaching technique and contribute to global sales education.

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