

Cultural Communication and International Business

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Communication Culture and Global Business

With the rapidly developing technology and growing concept of the world as a global village, the medium of communication has changed from personal to online and other digital media. However, communication remains one of the most important things in everyday life. Communication decides the way an individual understands the world and its matter. Culture is the background, traditions, beliefs, and other physical settings a person lives in, and culture influences people's beliefs and perceptions of things they see around them.

Culture as a Product of Communication

The learnings in culture are because of communication and because of communication exchange the culture is represented. Advancement and development in the global market have led to the global trade of goods, capital, and ideas. International alliances and global ventures can be helpful in the development of countries and also help the states enter the free markets. The differences in culture can impact global exchange and how people communicate. One of the essential components in making joint ventures and trade goods successful is communication and cultural acceptance (Pothukuchi, Damanpour, Choi, Chen, & Park, 2002). However, studies have shown that differences in domestic culture, vision of international partnerships, and communication can negatively impact businesses (Sirmon & Lane, 2004). With the increase in global trade and the global market, it is essential to understand the impact of communication and cultural differences of a country and international ventures. Therefore, this essay will explore the effects of cultural differences on national and international business, how to overcome communication and cultural barriers, and adaption processes for international trade in national cultures.

Globalization and Cross-Cultural Interaction

Globalization is a multidisciplinary phenomenon impacting every field of life, whether politics, community, business, or even personal life. Because of the rapidly developing concept and acceptance of globalization, it is a political, cultural, social, and economic phenomenon. However, in the world, culture and communication play an important role. Globalization has led to increased [intercultural communication](#). With the expanding international business and global market, intercultural business communication has become an essential concept as global enterprises set their

joints in other countries and reach out to those countries to find the right employees for their nations (Schmidt, 2007). A trend called “open borders” suggests that business and trade are international and can be accessed by bypassing geographic locations. However, it is vital for global alliances to interact and communicate effectively. The cultural differences can be observed in the fundamental values and primary activities of the international partnerships therefore both the partners need to communicate so that the new venture becomes successful without hampering the cultural values. For example, businesses with the same cultural patterns are more likely to be successful than those with different cultural values and missions (Pothukuchi et al., 2002). The difference in culture can have a different psychological environment for the company and impact the business negatively. An example of cultural difference can be that if a European country wants to establish a join in an Asian nation without consideration of the cultural values of that country, then the venture might end up in a loss.

Cultural Sensitivity in International Alliances

The level of understanding of cultural sensitivity about values, food restrictions, behaviors, and language between the partners will be the deciding factor for the success or failure of the alliance. Another significant trend in the business market is a joint venture (JV) between two countries. Communication and culture play a role in JV because in these kinds of enterprises both parties have to work hard to make it work. Both partners must work together to devise [policies and practices](#) that are culturally friendly and acceptable to people in the locality (Hennart & Zeng, 2002). If the JV is between two countries with entirely different setups and mother languages, it will be even more challenging to communicate and develop a plan accordingly. For example, if the JV is between China and the United States and it is evident that the language and culture of these countries are different, the joint venture will be a hard success. The verbal and non-verbal communication will be different and have various meanings in both these cultures, so the partners have to put extra effort first efficiently to communicate among themselves and then with the people.

Management Failures Across Cultural Boundaries

Many of the international businesses have succeeded, but those who were not competent to cultural values failed. One of the reasons for international business failures is that the managers managing the business from another part of the world fail to accept and modify the business values and policies according to the respective culture (Johnson, Lenartowicz, & Apud, 2006). Managers are also responsible for choosing local partners and have substantial knowledge about the local economy, politics, and social environment. Research studies on international business failures concluded that managers lack the ability to understand cultural needs and are also unable to communicate efficiently with their partners in other countries (Johnson et al., 2006). This signifies that cultural understanding and effective communication skills are more important than technical skills and knowledge about a specific business. Language is also imperative to the communication between two different cultures. For example, if both parties’ managers have language issues, it will be hard for them to communicate

effectively regarding their goals, policies, and trends. This means that a successful company at the national level might fail internationally because of cultural incompetence and ineffective communication. People in the industry are trying to build an effective relationship, and one of the key elements is communication. Intercultural communication can result in the dynamic of business and profit in general by mixing diverse backgrounds and language differences (Schmidt, 2007). Therefore, to overcome the cultural barriers in [international business](#), it is important that the managers are trained to consider the culture and language of the partner country as the primary element in planning. Before devising policies and goals, managers should be aware of the nation's local, social, and political environment and then design accordingly. Religion is a part of the culture and can become a sensitive question if not considered during the planning of the venture. For example, suppose the target population of a country is Muslim. In that case, the alliance cannot serve anything related to pork or pig because it will create a religious issue and negatively impact the business. The community will accept international business if it is adapted to the values and beliefs of the community. The company's primary purpose should be to merge cultural values and not challenge them in any way.

Localization Strategies of Global Companies

Numerous international alliances have expanded their business in countries of different cultural backgrounds and diversity in values. These alliances such as McDonald's, KFC, and Pizza Hut have expanded their business in most of the states making these alliances multinational. KFC and McDonald's have been widely accepted by countries because they have a neutral menu, like chicken and other foods, and they are adapted to cultural expectations and needs (Kincheloe, 2002). For instance, in Muslim-populated countries such as Pakistan or Indonesia, if McDonalds or KFC starts to serve pork then it will not only lead to riots but also to the crashing of business in all possible ways impacting its international image as well. This is an example of how culture influences the business especially international business ventures and how cultural competence is vital for a business to survive in any community. Therefore, considering cultural competence, these joints have adapted according to the culture, and their menu is devised in a way that does not hurt the religious or political sentiments of the community. Another adaption McDonald's has made to merge in the community is that on the joints throughout the country, they also have a name written in the local language. For instance, in Pakistan, it is written in the national Urdu, whereas, in India, it is written in Hindi. This shows how McDonald's has adopted the culture and language of the country to survive in international markets, and there is no doubt that because of this adaptability, it is one of the biggest international fast-food joints. Another example of adaption to culture is Wal-Mart, the world's most significant retailer. Walmart has managers from the respective countries to make understanding the consumer's needs easier (Iacovone, Javorcik, Keller, & Tybout, 2009). For instance, the requirements of consumers in the United States can be entirely different from the demands of consumers in Africa. Therefore, it is essential for retailers to adapt to the cultural and the consumer's needs. Having local managers can be a good strategy, but it is not entirely necessary if the manager knows the values

and needs of the consumers. In other words, managers of international or multinational companies should be aware of cultural and religious values when working in the global market.

Conclusion on Culture and International Communication

In conclusion, culture and language are huge in national and international business. Globalization might have increased trade and improved international business, but it has not changed the cultural and communication values of the countries. Before planning an international business venture, it is important to consider cultural values and language importance. If the cultural and language gap is more prominent between two partners, then the chances of failure of the business are higher. It is essential to avoid anything that will touch the religious and cultural values of the countries as it will impact the business's image, and profit and can lead to a collapse in the operations. The lack of shared values and understanding can result from ineffective communication between the partners. Managers should be more willing to understand the values, local economy, local interests, and other aspects of the culture better to make the joint venture or international alliance more successful.

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