

*BUSINESS
CULTURE
DRIVES
TRADE
NEGOTIATIONS*

Part 1

Business Culture in Europe

The starting point for a winning strategy in global trade is a sensitive understanding of foreign cultures

Formal or informal approach

Business Culture in Europe

Few universal rules :

- Respect your opponents
- Be a good listener
- Never reveal essential information in the first meeting
- Good timing is the key
- Be humble but assertive
- Foundation for all relationships is trust
- Negotiators must avoid confrontations

Business Etiquette in Europe

*Cultural considerations play an important role in
doing business in Europe*

- Tips on avoiding cross-cultural misunderstandings and maintain your professional image

A. Create a Good Impression

- Address People Correctly

Europeans are very formal

- Be Punctual and Use Your Time Wisely

Be on schedule in Scandinavia, Germany and Austria

In the UK, be early

Italians or Spaniards are generally more relaxed

Prudent time usage means being sensitive to how the opposing side wants to spend their hours

A. Create a Good Impression

■ Names and Titles

Unusual in Europe for people to use first names immediately

Titles, especially academic titles, are always used in Europe

A. Create a Good Impression

Handshakes

Standard business greeting throughout Europe

Exception is Britain

Italians shake hands often

Germans may bow slightly

In France, a lighter grasp is customary

All over Europe customary to let women and higher rank to extend their hands first.

In Austria, be prepared for a two-cheeked kiss after the working relationship established

When opposing sides from different Western cultures reach an agreement, shake hands

A. Create a Good Impression

- Watch Your Body Language

Danes prefer more space when talking

Spaniards stand very close

Keep your hands out of your pockets in France, Switzerland and Sweden.

- Curb Your Gesture

When you are in another country, limit your fidgeting

B. Afterhours

■ Dining and Entertaining

Europeans don't do business breakfasts

Talking business over lunch is not a violation of etiquette in France, Austria, Germany, UK, Netherlands, Norway, Denmark, Sweden, Finland, Portugal and Spain, In the Czech Republic, Italy and Greece

Not talk business over lunch unless your host initiates

Dinner in Europe is usually reserved for social entertaining

Be on time for dinner in Norway, Sweden, Finland, Denmark. Elsewhere, being fashionably late is acceptable

No host gift in Great Britain

Do not take wine to a dinner in the Netherlands, France or Belgium

B. Afterhours

■ Foot the Bill

Dining taken seriously in Europe as an expression of generosity

Impossible to pick up a check in Italy and not to over-eat or over drink in Greece

In Denmark, invited to an evening meal at home bring along flowers or chocolates

In other parts of Europe, dinner host will pay the tab very bad fight over the bill, in Germany

Possible that your German associate that it is separate checks.

Going Dutch. Splitting the bill not common practice in the Netherlands

B. Afterhours

■ Gifts

In some countries, a small gift is appropriate if invited to home for dinner

Across Europe, business gifts should not be too personal and should be wrapped professionally

■ Drink Appropriately

Enjoy the local brews, but keep your wits about you

Belgian beer is stronger than in Asia

Watch out for the ouzo in Greece. In England over a pint of ale at a pub, Wine is standard at lunch and dinner in Italy and France

B. Afterhours

- Making a Toast

Your European host will always make the first toast

“Skal” in Copenhagen, “prost” Dusseldorf, “santé” in Paris or Geneva, and “salute” in Venice. Make eye contact Swiss clink glasses with everyone after a toast

Reply with a toast of thanks at the end of the meal

- Keep an Open Palate

In Europe, good food and drink in a congenial atmosphere are considered very important.

Savor mussels and chips in Brussels, schnitzel in Vienna

B. Afterhours

■ Mind Your Manners

In Italy, Switzerland, Belgium, or Austria, keep hands above the table, elbows off. In German and Dutch restaurants, don't eat with your fingers. In Austria, use your fork to cut your food,, whenever possible. Use a knife is insulting, as it implies the food is tough.

■ Social Taboos

Europeans are more formal and reserved about such matters than Americans are.

Watch out for these gesture-related mistakes:

- * American gesture for OK offensive in Germany.
- * Showing your palm offensive in Greece.
- * Keeping hands in your pockets is rude.
- * Hands below the table while dining in France, Germany and Austria is rude.

C. Be Considerate

■ Create Links

Doing business in Europe is formal, reserved and hierarchical.

Best to be introduced by a third party.

You need to earn respect, prove you are honest and create trust.

Intelligent conversation is of paramount importance in business transactions. Always remain professional

■ Be Culture Conscious

Europeans are very cultivated and polished in their dress and demeanor. Show that you are equally refined.

Humour and business do not mix in Germany. A know-it-all attitude will quickly turn off your European customers

C. Be Considerate

■ Apologise When it is Expected

If you have unintentionally caused offence, never be defensive, your European associates will likely absolve you of any wrongdoing.

■ Have Tact and Diplomacy

Never correct someone's English unless it is causing a serious misunderstanding.

Avoid asking personal questions. in France, Italy and England

Europeans love to talk about politics. Be up-to-date on political matters, but stay as neutral as possible. Safer topics include art, music and architecture. Meaningful compliments will always be sound business practice and good etiquette.

D. Trust Your Instinct

Doing business in Europe can be a very rewarding experience.

Use your best gentlemanly manners and recognise the differences in style to avoid frictions and errors.

If in doubt, observe others and then trust your judgment.

With a little bit of advance preparation, openness to new experiences and a willingness to behave with the utmost in formality, respect and professional decorum, you will definitely increase your chances of success in your business relationships in Europe

Thank You