

Culture Mapping and the Role of Culture in International Trade in Western and Southern European Countries

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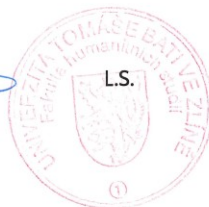
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ABSTRAKT

Cílem této bakalářské práce bylo zhodnotit význam kulturního mapování pro mezinárodní obchodní aktivity. Teoretická část se zabývá elementy kultury a poukazuje na důležitost kulturní inteligence v rámci mezinárodního obchodu. Tyto elementy kultury byly analyzovány a porovnány ve vybraných zemích Západní a Jižní Evropy. Dílčím cílem bylo provedení komparativní analýzy zaměřené na důležitost kulturních aspektů a kulturního mapování. Data byla získána z polo standardizovaných rozhovorů, které byly uskutečněny s obchodními manažery, vedoucími obchodních oddělení či s obchodními zástupci. Na základě těchto dat bylo vytvořeno doporučení pro firmy pro efektivní obchodní jednání v mezinárodním obchodě.

Klíčová slova: Kulturní mapování, Elementy kultury, Mezinárodní obchod, Západní Evropa, Východní Evropa

ABSTRACT

The goal of this bachelor thesis was to assess the role of cultural mapping in international trade. Theoretical part addresses elements of culture and points out the importance of cultural intelligence within international trade. These elements were analysed and compared with selected countries of Western and Southern Europe. Sub-goal of this paper was the execution of comparative analysis focused on the importance of cultural aspects and cultural mapping. The data was gathered via a semi-structured interview conducted with commercial managers, chief commercial officers or sales representatives. By this data, the recommendations for effective business negotiations in international trade were created.

Keywords: Cultural mapping, Elements of culture, International trade, Western Europe, Southern Europe

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INTRODUCTION

In developed countries, companies do trade with foreign partners daily. Globalization enables companies to interact with other companies from all over the world. Due to globalization, there is a need for mutual understanding among people from different cultures and backgrounds. Every commercial director or another person responsible for dealing with foreign partners should be aware of different behaviours and manners of their foreign partners.

Cultural mapping enables companies to identify cultural resources and to understand cultural system deeper. The information gathered about certain culture may help foreign organizations to adapt their business practices and do business more efficiently. Companies know how to approach foreign partners and how to negotiate with them. Knowledge of foreign cultures may also prevent misunderstandings between foreign partners.

The bachelor thesis focuses on the importance of culture in international business. Theoretical part describes essential elements of culture which need to be considered when doing business internationally. It also mentions power orientation, masculinity and femininity in selected countries of Western and Southern Europe. These countries are analysed in terms of their cultural elements and manners which are specific to these countries.

Practical part examines companies' experience and approaches to foreign encounters and negotiation process. It also discusses the importance of cultural mapping as well as cultural stereotypes of selected countries. The data in practical part was gathered via semi-structured interview. Majority of the discussions were conducted personally with commercial directors or sales representatives of the companies. At the end of the paper, the author summarizes advantages of cultural mapping and creates recommendations for companies concerning effective business negotiations with foreign partners.

I. THEORY

1 CULTURAL MAPPING

1.1 Definitions of culture

Culture can be defined in many ways, and everyone may have a different interpretation of this word. For some people, the word 'culture' can be hard to understand because of its abstractness. Every significant author writing about culture defines culture in his/her own words. Hofstede (2010, 6) defines culture as:

“Collective programming of the mind that distinguishes the members of one group or category of people from others.”

Another definition of him is:

“Culture is the collection of values, belief, behaviours, customs, and attitudes that distinguish a society.”

Moreover, Hill's (2014, 91) definition is:

“Culture is a system of values and norms that are shared among a group of people and that when taken together constitute a design for living.”

According to Rugman and Collinson (2006, 129), culture can be defined as:

“The collective programming of the mind.”

Sociologists believe that culture is influenced mainly by friends, parents, education and other interaction with people (Rugman and Collinson 2006, 129). Culture is learned through perceptions. These perceptions of the world are dependent on many factors such as the place where we are born and raised, the language we learn or the people and environment we are surrounded by. Every individual has different stimuli, attitudes, and perceptions of the world. Therefore, it may be challenging to communicate interculturally. It is essential to know as many cultural factors as possible to communicate effectively in an intercultural business environment (Chaney and Martin 2011, 6). This thesis uses Hofstede's definitions of culture.

1.2 Elements of culture

The understanding of how people behave in another country lies in studying the fundamental elements of culture. These basic elements consist of language, non-verbal communication, values and norms, rituals, religion, social structure, education, consumption customs and work ethic (Griffin and Pustay 2013, 111).

1.2.1 Language

Language is the most important element for getting to know the culture. People feel better when they speak in native language, however knowing foreign language gives them a substantial advantage. Language provides important information about cultural values of a society (Musetescu, Nicolau, Athu, and Mitrea 2014, 87–88).

Language demonstrates how members of society think about the world. The same message in different languages might be perceived differently. It is shown in one experiment which was conducted by 153 bilingual university students. Chinese and English-speaking students were divided into groups to solve one assignment. The professor prepared the assignment translated into these languages as much perfectly as possible. However, the results of these two groups differed significantly which suggest that language itself modified the nature of the information (Griffin and Pustay 2013, 114).

Knowing the language is essential for negotiating as well as for transfer of the information from subsidiary to parent company. Besides, word for word translation is considered as dangerous; therefore, people should translate to another language carefully. The misunderstanding may lead to ambiguous situations and eventually cause financial loss (Musetescu, Nicolau, Athu, and Mitrea 2014, 87).

Today's English language is lingua franca, and it also applies to business. Countries with native English speakers such as Great Britain, USA, Canada, Australia, or New Zealand have certain differences in meaning and interpretations of English language despite speaking the same language. Their language is the same, but the culture is different. Therefore, business people should be aware of specific idioms, phrases and pronunciation (Musetescu, Nicolau, Athu, and Mitrea 2014, 87–88).

1.2.2 Values and Norms

Values are abstract ideas about what a group believes to be good, right and desirable. Norms are social rules and guidelines that prescribe appropriate behaviour in a particular situation (Hill, Udayasankar, and Wee 2014, 91–93). People learn values through contact with family members, teachers or religious leaders. Their value system is also influenced by reading, hearing and watching (Chaney and Martin 2011, 51).

Values are fundamental parts that make up a culture. They take account of society's attitudes towards various concepts such as individual freedom, truth, democracy, justice, honesty, loyalty, the role of women, love, sex or marriage (Hill, Udayasankar, and Wee 2014, 91–93).

These values and attitudes differ across cultures around the world. For example, time management and punctuality are especially important in Anglo-Saxon countries such as Great Britain, Ireland, the United States or Canada. These cultures expect to start their meeting on time. Therefore, a late arrival is considered as a rude manner. Considering other parts of the world such as Latin America or Arab countries, they attach no importance to time management (Griffin and Pustay 2013, 122–123).

1.2.3 Non-verbal Communication

According to Garten (2015, 49–53), there are many ways of nonverbal communication. For instance, gestures, body movement, facial movement or eye contact. The important aspect of body language is a posture of body as well as its positioning. Garten points out that his lack of knowledge about body language was his biggest problem when he started his career. He recommends behaving in an authentic way. Nevertheless, it may be sometimes beneficial to adopt the behaviour of others to evoke feeling that a person is a part of their culture. Consequently, it may be a competitive advantage of negotiators in case of adopting their nonverbal behaviour to business partners. Besides, nonverbal communication also comprises tone, volume and other sounds, touching, use of space, use of time, and physical appearance. Physical appearance means body shape and size, clothing choice, and jewellery.

Every culture uses its symbols to express things non-verbally. One of the standard symbols is shaking hands. In Europe, it usually conveys greeting or sign of friendship. For example, shaking and nodding of a head has a different meaning in the Czech Republic and Bulgaria. People in the Czech Republic nod their head up and down meaning yes, and left and right meaning no. This manner conveys the exact opposite to Bulgarian meaning (Angelova 2017).

There is also a matter of distance when speaking to other persons. For instance, Spanish people are used to sitting close to their speaker. On the other hand, Japanese people keep bigger distance while speaking to someone. Therefore, Japanese manner can be viewed as impolite to Spanish people. Cheek kissing as a greeting is much more common in Italy, Spain, or France rather than in Central European countries (Musetescu, Nicolau, Athu, and Mitrea 2014, 88).

1.2.4 Religion

Religion also needs to be taken into consideration when doing business with the foreign country. It is deeply rooted in people, and it is an integral part of their lives. Four most prominent religions are Christianity, Islamism, Hinduism, and Buddhism. Christianity is

followed by the most believers that account for approximately 2,3 billion people. Most Christians occur in Europe and the USA. Business people should be aware of three branches of Christianity. The Orthodox, the Protestants and the Catholics (Musetescu, Nicolau, Athu, and Mitrea 2014, 88–89). For example, Greek people follow the Orthodox faith (Visit Greece, 2018). On the other hand, people in Germany follow different branches of Christianity. The North and East parts of Germany are mainly Protestant, whereas South and West parts are Catholic (Inter Nations, 2018).

Managers should also consider main holidays connected to religion. In Europe, these are mainly Christmas and Easter. These public holidays are more significant in one country than in another. For instance, Easter traditions in Cyprus differentiate from Czech customs (Choose Your Cyprus, 2018). Therefore, these traditions may have a significant impact on sales strategy and marketing within the country.

1.2.5 Education

The quality of education is vital for cultural development in a country. Employees and customers become more educated which bring many opportunities and challenges for businesses. English is inevitably becoming a lingua franca, and the world is more and more connected. Because of globalization, people can study almost wherever they want and have access to Internet and e-learning platforms (Barrow 2016, 202).

The education is available to everyone within the European Union (EU), and it helps to improve the quality of education through the cooperation with other member countries. One of the most popular programmes is Erasmus +, which enables young people to study, work and volunteer abroad. This programme is also very important for people's future, and it gives students many experiences regarding studying and training abroad. Students get to know themselves, develop personally and establish many foreign contacts during the Erasmus stay. Moreover, every student has a right to study in other EU member country with the same conditions as local students (Team of Authors in The European Commission 2018, 19).

1.3 The Importance of Culture in International Business Context

Barrow (2016, 199–201) claims that businesspeople need to understand the differences in behaviour, especially those who trade and negotiate with international partners. The knowledge of national cultures may be vital for making business contacts with foreign organizations and possibly make a deal.

Rugman and Collinson (2006, 131–132) discuss three different segments of the cross-cultural business encounter. First of them is face-to-face communication when they emphasize the importance of mutual understanding which is essential for effective communication and negotiation. The second one is a company-to-company relationship. When a firm intends to build new partnerships, merge or acquire another company, management needs to consider many elements. Particularly company's hierarchy, decision-making process or employees' attitude towards work. Last segment deals with manners between clients (customers) and a company. Every foreign organization should adapt its product or service to fulfil the needs of local customers.

The ignorance or negligence of these cultural differences can cause many problems in companies, and sales may significantly drop. In a worse scenario, a firm might potentially lose its customers and eventually goes bankrupt.

Griffin and Pustay (2013, 110) demonstrate how World War II changed the thinking and behaviour of people in Germany at that time. Germany was divided into East and West part due to communism, and there are still certain differences between the culture in these regions.

1.3.1 Evaluation of Benefits, Costs and Risks of Doing Business Internationally

Before doing business in a foreign country, it is vital to evaluate a potential market or investment site in terms of its attractiveness (Hill, Udayasankar, and Wee 2014, 83–84).

Hill, Udayasankar, and Wee (80–81) claim that one benefit should logically be the size of the country. Nevertheless, a country of a big size might have low living standards which imply weak purchasing power of a country. One of the best indicators of country's potential is a free market economy, democratic system with strong protection of property rights, low level of corruption and political stability. Concerning costs, businesses should take into consideration the infrastructure and the quality of inputs in a foreign country. It may be costly to establish a firm in a country with strict standards regarding product safety or environmental pollution.

A company should be aware of a current political situation in a country to avoid drastic changes in a business environment. The likelihood of social unrests or disorders is greater in countries with multinational societies and with multiple ideologies. One innocent social unrest may result in strikes, demonstrations and violent conflicts which may influence an operation of a firm (Hill, Udayasankar, and Wee 2014, 82).

1.3.2 Definitions of Cultural Mapping

Cultural mapping supports the economic development, and it may help foreign organizations to analyse the culture (Baeker 2009, 13). Jeff Evenson from Canadian Urban Institute describes Cultural Resource Mapping as (Evenson and Tilden 2010, 7):

“Cultural Resource Mapping is a systematic approach to identifying recording and classifying a community’s cultural resources in order to describe and visualize them.”

Cultural resource mapping is a database which provides information data. These data are especially useful for policy-makers, tourist organizations, and businesses. Businesses may benefit from a broad set of cultural information that can help with their planning and focus their efforts more efficiently (Evenson and Tilden 2010, 7). It is beneficial to have all the information at the same place, which may simplify the organization’s planning and decision-making process (32–34).

Besides, Erin Meyer studies how cultural differences impact on business. She points out that cultural mapping is a system that enables people to decode these cultural differences. This system analyses cultures in eight scales and each scale has two opposing ends. Then the scales are put together to create cultural mapping of a certain country. These scales include communicating, evaluating, leading, deciding, trusting, disagreeing, scheduling and persuading (Shah 2014). This bachelor thesis is based on Meyer’s understanding of cultural mapping.

1.3.3 Reasons for Analysing Foreign Countries

Closing cultural distance

There are few mechanisms that may close cultural distance. First one is a foreign experience which may broaden person’s horizons, and thus close the distance between cultures. Another concept is called acculturation which means changing manners or beliefs that result from the contact of two or more cultures. Acculturation usually reduces the cultural distance to the host country. Moreover, staffing is another concept that affects the national and corporate cultural distance. The staff of a company is made up of either local employees, expatriates, or third country nationals. Bicultural people are especially important for closing the cultural distance between the foreign and host countries. These individuals may bring the two countries together, and therefore close the cultural distance (Buckley and Ghauri 2015, 482–483).

Cultural Intelligence

Some individuals are more effective than others when managing across many cultures. Cultural intelligence is an essential skill that enables outsiders to understand unfamiliar gestures and actions as though they were insiders. It is closely connected to emotional intelligence which allows people to appreciate what makes individuals similar and different from others. Nevertheless, emotionally intelligent person is not necessarily culturally intelligent. To sum up, there are certain aspects of cultural intelligence that are probably innate; however, motivation and training of an individual may enhance his/her level of cultural intelligence (Bhagat 2006, 489).

1.3.4 Entering Foreign Markets

Every business has a fundamental goal of expanding market share and make a profit. Companies that would like to expand abroad have to analyse the market and understand its geographical and cultural differences. A firm should follow some steps to make a profit and thrive in the foreign marketplace. They should assess foreign markets and evaluate costs, benefits, and risks of entering each of them as discussed previously in this paper. Lastly, the firm selects the country with the biggest potential to enter and grow (Griffin and Pustay 2013, 342). These are one the most common entries to foreign market:

1. Export

Export is one the simplest modes of entry to foreign market. Export means sending goods or services from one country to the other. The main advantages consist in low expenditures and avoidance of restrictions regarding foreign investment. Therefore, the company does not need to spend a big amount of money, because no previous investment is needed. On the other hand, the firm should be aware of tariffs and non-tariff barriers (Griffin and Pustay 2013, 349).

2. Foreign Direct Investment (FDI)

FDI means that firm invests directly in facilities to produce goods abroad. These operations are accompanied by the ownership and control of a company. The firm becomes a multinational enterprise since a new subsidiary abroad is established. FDI has two primary forms. The first one is called greenfield investment which involves the establishment of a new operation in a foreign country. The second one is an acquisition strategy where one company buys another company, and they merge into one (Hill, Udayasankar, and Wee 2014, 220).

3. Franchising

A franchise is a type of licence that creates a relationship between franchisor and franchisee. Franchising is a system for expanding a business where a franchiser allows franchisee to share a brand together. Franchisor's job is to expand its business and support its franchisees. On the contrary, franchisee's job is to manage and operate the business to the terms of the agreements. This agreement usually includes the amount of initial fee and the terms of the licence. Besides, the franchisor should assist the franchisee. The most important thing about the franchising is the brand itself. People do not usually care who owns the business. They go shopping or visit restaurant due to their experience with the brand. As a typical example of a franchise is McDonald's which is well-known throughout the world (Seid 2017).

1.4 Dimensions of National Cultures

In the twentieth century, social anthropology believed that all societies face the same fundamental problems. Subsequently, scientists tried to identify what problems were common to all societies. After that Geert Hofstede (2010, 29–30) took the opportunity to study the values of people in more than fifty countries around the world. The research about the values revealed common problems; however, they differed from country to country. The areas cover:

1. Social inequality, and relationship with authority
2. Concepts of masculinity and femininity

Hofstede attempts to map and compare the characteristics of managers and employees in different countries. Hofstede's study is a milestone in cultural and management studies and it is undoubtedly unique. He researched 70 countries all over the world and got more than 116 000 questionnaires answered (Rugman and Collinson 2006, 134).

1.4.1 Power Orientation

The concept of power distance deals with inequality in societies. Some people have more power than others. Politicians, businesspeople or artists have a different proportion of power, status or wealth (Hofstede 2010, 54). Hofstede (2010, 61) defines power distance as:

“The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.”

In this quote, *institutions* are meant to be family, the school, and the community. *Organizations* are places where people work.

Power distance index ranges from 0 to 100. The higher the number, the higher the power distance is (Hofstede 2010, 56). In large power distance countries, there is a form of dependence of subordinates on bosses. Subordinates in these countries usually do not approach a boss directly. On the other hand, in small power distance countries, subordinates require consultations, and there is a minimal dependence on bosses. Therefore, there is a space for mutual communication and more friendly approach (Hofstede 2010, 61).

Table 1: Power Distance in Western European Countries

Western European Countries	Power Distance Index
France	68
Belgium	64
Netherlands	38
Germany	35

Source: Data from Hofstede 2010, 57–59.

It can be observed from the table that France and Belgium have higher power distance. Therefore, employees are more dependent on their boss. Besides, the comparison of France and Germany demonstrates that there is a significantly different approach towards a manager-employee relationship in the workplace. Employees in Germany are more likely to communicate with the boss directly. On the contrary, bosses in France do not approach and communicate with their employees directly. Besides, the table also shows lower values for the Netherlands, where the power distance is rather small.

Table 2: Power Distance in Southern European Countries

Southern European Countries	Power Distance Index
Portugal	63
Greece	60
Spain	57
Italy	50

Source: Data from Hofstede 2010, 57–59.

The second table demonstrates similar results. Southern countries have their power distance index close to the average. Therefore, these countries have moderate employer-employee relationships. Employees are sometimes able to communicate directly with the boss, but sometimes not. Besides, the first table shows that Western European Countries have a higher deviation in figures than Southern countries. It may be caused by historical or political development as well as by significantly different geographical positions.

1.4.2 Masculinity vs. Femininity

This idea demonstrates a distribution of roles between men and women. Roles of men and women overlap less in masculine societies. Typical characteristics of masculine society include strong egos. Furthermore, money and achievement are also important (Mind Tools Content Team 2018).

The Hofstede's (2010, 140) definition of masculine society is:

“A society is called masculine when emotional gender roles are clearly distinct: men are supposed to be assertive, tough, and focused on material success, whereas women are supposed to be more modest, tender, and concerned with the quality of life.”

On the contrary, in feminine societies, male and female roles overlap. The emphasis is put on team cooperation, and good relationship with direct supervisors (Mind Tools Content Team 2018). Moreover, Hofstede (2010, 139) points out that it is also important to live in an area desirable to you and your family. Hofstede's (2010, 140) definition of feminine society is:

“A society is called feminine when emotional gender roles overlap: both men and women are supposed to be modest, tender, and concerned with the quality of life.”

Table 3: Masculinity Index in Western European Countries

Western European Countries	Masculinity
Germany	66
Belgium	54
France	43
Netherlands	14

Source: Data from Hofstede Insights 2018.

It can be observed that Germany is a highly masculine country with the rank 66. It means that the role of men is more dominant and there is a certain distance between men and women. These countries regard earnings and recognition as important and relevant. Looking at Belgium and France, they have an average ranking, and the roles of men and women overlap more than in Germany. The Netherlands is one of the most feminine countries in Europe and the roles of men and women overlap, and there is a great emphasis placed on the quality of life.

Table 4: Masculinity Index in Southern European Countries

Southern European Countries	Masculinity
Italy	70
Greece	57
Spain	42
Portugal	31

Source: Data from Hofstede Insights 2018.

The most masculine country is Italy where male and female roles do not overlap. Greece and Spain have an average level of masculinity which means that the role of men and women overlap, but these countries are still focused on earnings and recognition. On the other hand, Portugal is the most feminine country where the role of gender overlaps more. Accordingly, Portugal values the quality of life.

2 SELECTED COUNTRIES

2.1 Classification of Countries

According to Schmidt, Conaway, Easton, and Wardrobe (2007, 222), Europe is divided into four regions:

1. Northern Europe (Norway, Sweden, Finland, Denmark, Iceland and others)
2. Southern Europe (Italy, Greece, Malta, Turkey, Cyprus, Spain, Portugal and others)
3. Eastern Europe (Czech Republic, Poland, Ukraine, Hungary, and others)
4. Western Europe (France, Germany, Switzerland, Belgium, the Netherlands, the United Kingdom, and others)

For the purpose of this Bachelor thesis, four countries were selected from Southern and Western Europe region. The decision was based on countries' economic conditions as well as trading opportunities with the Czech Republic. Selected countries include:

Southern Europe: Spain, Portugal, Italy, and Greece.

Western Europe: Belgium, France, Germany, and the Netherlands.

2.2 Western Europe

2.2.1 Belgium

Basic Information

Belgium lies in the west part of Europe and borders the North Sea. The country is politically divided into two regions. The first one is the Dutch-speaking Flemish part which lies in the north, and the second one is the French-speaking Walloons in the south. These two parts have a certain autonomy. Belgium has about 11 500 000 inhabitants, and most of them are Belgians. Belgium has three official languages: Dutch, French and German language (Central Intelligence Agency 2018).

Economy

The country's GDP was worth 411 565 million euros in 2016. The unemployment rate ranged from 7,5 to 8,5% in years from 2012 to 2016 (Zastupitelský úřad v Bruselu 2018). Services make up 77,5% of the country's revenue and they are the main propulsion power of the economy. Considering secondary sector which is industry, it makes up 21,8% of the revenue. And lastly, agriculture is a marginal economic sector in Belgian economy with insignificant 0,7% contribution to Belgian GDP income (Central Intelligence Agency 2018).

Culture

The companies in Belgium are not hierarchical, so many managers can be approached directly for an appointment. Belgians are usually skilled negotiators; however, they can also compromise in case of a win-win situation. Their negotiation approach is oriented more on a relationship, and men and women are treated as equals. Negotiations are conducted in English; however, it is possible to communicate in French as well (Passport to Trade 2014). Belgians are generally warm and friendly people in Business. They start their meeting by shaking hands, and they introduce themselves by saying “a pleasure to meet you.” They have a high level of English language especially in Brussels (Passport to Trade 2014).

When dealing with one of the regions, it is recommended to approach Flemish company in the Dutch language, not in French. On the other hand, it is appropriate to address firms in Walloons regions in the French language. Nevertheless, the English language is widely accepted in both regions (Czech Trade 2016).

Czech Trade agency points out that it is advisable to take part in specialized exhibitions and trade fairs to enter Belgian market more easily. Moreover, potential Belgian partners should be proactive and patient. Belgians also emphasise quality rather than quantity, and the price is not the most important factor in negotiations (Czech Trade 2016).

Belgian are usually punctual and arrive on time. Nonetheless, the timekeeping is not strict, and a delay with an apology is well accepted. Businesspeople usually wear a jacket, although a shirt and jeans may also be appropriate, especially in more liberal companies. Besides, the food is an important element for Belgians, so a business meal is an ideal opportunity to discuss relevant business issues (Passport to Trade 2014).

2.2.2 France

Basic Information

The country lies in Western Europe by the Mediterranean Sea from the west and the Atlantic Ocean from the east. France had the population of 64,9 million people in 2017 and currently is one of the most populous countries in Europe (Statista 2018). French is the main language; however, there are some regional dialects such as Catalan, Basque or Flemish. Besides, 80% of people live in urban areas, and the population is mainly concentrated in the north and southeast of the country (Central Intelligence Agency 2018).

Economy

France produced the goods and services of total value 2 574,81 billion dollars in 2017. Their main export partners are Germany with 16% share, followed by Spain, Italy, Belgium, the

UK and the US with an equal share of percent for each country. Regarding the economic sectors, services make up 78,7% of the economic activity. On the contrary, agriculture is negligible with 1,7%. The industry accounts for 19,5% (Statista 2018). Besides, the unemployment is around 10% which means that 2,8 million French people are out of a job (Zastupitelský úřad v Paříži 2018).

Culture

French people are aware of their worldwide power, and France is a proud nation which is perceived as a country of class and status. French people are very proud of their language, and they often refuse to speak English even though they know it. Nevertheless, this fact is changing due to the need for the English language in multinational corporations (Garten 2015, 159–60).

French companies are centrally organized and have a hierarchy system. As a result, there is a rather small space for negotiation with the boss and his/her employees. The employees' disagreement with a boss is expressed indirectly and in a cautious way. The relationships with business partners are built in the course of time. The French may be perceived as inaccessible in the beginning, but later they are more open. Moreover, they have aggressive negotiating style (Garten 2015, 160).

When communicating verbally, it is an advantage to have general knowledge about French history, politics, and other cultural aspects. As for non-verbal communication, French people use their hands more often. Besides, a basic knowledge of French language may open some opportunities in France because they consider their language as an essential part of their culture. Therefore, it is advisable to use the French language if possible because they appreciate the effort to speak French. Their body language is conservative, and handshaking is a standard. However, kissing on cheeks is also practised. The kissing practice should be used as a greeting only with familiar people (Passport to Trade 2014).

Business partners should be punctual; however, it is acceptable for French people to arrive ten minutes late. Gift giving is not a common practice in France. Besides, a dress code is very important in France. Therefore, someone might encounter a businessperson at entry-level wearing the best clothes available. The French perceive the clothes as a reflection of one's social status and his/her success. Considering business meals, food is very important in France and the French love it. It is an opportunity to talk with partners in a friendlier discussion. Mealtime is especially crucial for building a good business and personal relationship (Passport to Trade 2014).

2.2.3 Germany

Basic Information

The country covers an extensive area in western Europe, and it has access to North and Baltic Sea. In 2016, the country's population was 82,52 million people (Statista 2018). The primary language is German which is spoken by more than 95% of the population (Zimmermann 2018). Germany is a federation consisting of 16 states with their governments and parliaments, and the head of the Federal Republic of Germany is the Federal Chancellor (Passport to Trade 2014).

Economy

GDP amounted to 3 132 billion euros in 2015 (Statista 2018). The German economy is the largest in Europe and the fifth largest in the world (Zimmermann 2018). Therefore, Germany is leading economic player both in Europe as well as in the world. The main export partners consist of the US and France with the proportion of over 8% (Statista 2018). Furthermore, the value of exported goods and services was 1 207 500 Euros, and the imported goods and services had the value of 954 600 Euros in 2016 (Zastupitelský úřad v Berlíně 2018).

Culture

Germany acknowledges hierarchy and status in their business culture. The power distance index is low in comparison with other Western European countries. Therefore, there is no major problem with manager-employee communication (Garten 2015, 161).

Germans like facts and they communicate clearly and get to the point quickly in a direct way. It may be beneficial to know some German rules or laws to avoid being misunderstood. Unlike other European citizens, the Germans can do business without building a more personal relationship (Garten 2015,162). German's fundamental values are hard work, punctuality, and tendencies towards perfectionism and precision in many aspects of their lives (Zimmermann 2018).

According to Czech Trade agency, it is vital to be well prepared for a business meeting and negotiation with the Germans. It is necessary to present themselves confidently. Business partners also should consider the German language, especially in small firms where the English language is not so widely spoken (Czech Trade 2016). The Germans never kiss another person in a business environment, and their gestures and emotions are shown only outside business environment. Moreover, hand shaking is a common sign of politeness, and it is practised at the beginning and at the end of a meeting. On the other hand, gift giving is not common in Germany. Further, the Germans dress well and the appearance is very important to them (Passport to Trade 2014).

2.2.4 Netherlands

Basic Information

The country name reflects the fact that the quarter of the country area is under the sea level. It has 17 million inhabitants, and major language is Dutch (BBC 2017). The country has access to the North Sea, and its neighbour countries are Belgium and Germany. Major urban areas are Amsterdam, Rotterdam and The Hague. Their mean elevation is 30 metres above sea level; therefore, they may have problems with flooding in the future (Central Intelligence Agency 2018).

Economy

The Netherlands was a founding member of today's EU. The country's GDP was about 825 billion U.S. dollars in 2017. Services contributed to the revenue with 78%, the industry with 20% and the primary sector brought 2% of GDP revenues. The unemployment rate was around 3,2% in 2017 which was one of the lowest in the whole EU. The main export partners of the country were Germany with the proportion of 24%, followed by Belgium, the UK, and France where each of them accounted for about 9-10% of exported goods and services in 2016. On the contrary, the main import partners comprised Germany with the proportion of 15%, followed by China with 14% of imported goods and services in 2016 (Statista 2018).

Culture

The Netherlands is a very open and proud country. They are internationally oriented because of their trade history. Dutch people are usually direct and straightforward. However, they treat businesspeople respectfully. They are tolerant and willing to listen to other points of view. The Dutch like facts, so it is desirable to use them during negotiations to back up claims (Chaney and Martin 2011, 224).

The best topics for starting a conversation with a business person may include urban architecture, football, music or famous Dutch people. It is essential for the Dutch to speak foreign language due to their dependency on international trade. Therefore, their level of English is very high because foreign languages are firmly integrated into their education system. They also put emphasis on other languages such as German, French, and Spanish. They are a conservative nation regarding gestures. Nevertheless, shaking hands with eye contact is desirable when introducing yourself in the Netherlands (Passport to Trade 2014). The Dutch are usually punctual, though they will accept late arrival as well. Regarding gift giving, they are not common in the Dutch business culture (Just Landed 2018). The Dutch usually dress conservatively in business; however, it depends on the industry. They dress formally in banking and less formally in IT industry. Besides, the Dutch do not usually go

to business meals. They prefer eating in the office, and their lunch is fast in the form of sandwich and a glass of milk (Passport to Trade 2014).

2.3 Southern Europe

2.3.1 Greece

Basic Information

Greece is a country of thousands of islands and lies in the south of Europe bordering on Albania, Bulgaria, Macedonia, and Turkey. The country goes back to the 1600 BC when the first Greek civilisations were formed. Moreover, the first Olympics were held there in the city of Olympia and today's Olympic Games seems to be inspired by them (National Geographic 2018). The country has about 10,8 million inhabitants (Statista 2018). One-third of the population lives in Athens and its surroundings. The official language is Greek, and 99% of inhabitants use it as their native language (Central Intelligence Agency 2018).

Economy

The country's GDP was around 204 billion U.S. dollars in 2017. The country's revenue account for services with the proportion of 80%, then secondary sector comprises 16% of the revenue, and lastly agriculture with the lowest income of 4%. The unemployment rate in Greece was around 23% in 2017, and today, Greece reports the highest unemployment rate of all EU countries. Main export partners comprise Italy accounting for 11,2% of all exports, followed by Germany with 7,7%, and Cyprus with 6,4%. The main import partners for Greece are Germany accounting for 11,1% of all imports, followed by Italy with 8,8%, and China with 6,6% (Statista 2018).

Culture

A business structure in Greece tend to be hierarchical; therefore, the decision-making process is highly centralised, and only a few top individuals are responsible for negotiating (Warburton 2018). Negotiations are usually slow, so patience is needed. First meeting with business partners is usually introductory, and negotiation starts during the second meeting (Passport to Trade 2014).

Greeks prefer face-to-face communication to phone or email (Passport to Trade 2014). Greek people are boisterous people and their communication style is noisy. They are emotionally-based people, therefore the party which deals with Greek people should expect emotional debate. Moreover, Greeks stand much closer to other persons and their eye contact is much stronger. Therefore, the partners should not be frightened by these cultural

stereotypes, and they should keep an eye contact even though it may not be pleasant to them (Warburton 2018). Greek people express themselves through gestures, movements, eye contact, and intonation of voice. Besides, young Greek managers are fluent in English, however, learning basic Greek phrases may be appreciated (Passport to Trade 2014).

Greeks are not punctual and come late for appointments. Nonetheless, it is expected from business partners to come on time (Passport to Trade 2014). Men usually wear casual wear such as sports jacket, trousers, and shirt. On the contrary, women approach dress code differently as they wear smart business suits with a skirt. Partners dealing with Greeks in their country should be aware of sweltering summers. Therefore, lightweight clothing in summer is vital (Warburton 2018).

2.3.2 Italy

Basic Information

The country lies in a peninsula extending into the Mediterranean Sea, and it includes Sardinia and Sicily islands. The country has mountainous north with colder weather. On the contrary, south is hot and dry. Mont Blanc, the biggest mountain in Europe with the elevation of 4748 metres, can be found in the north of the country. Italy has around 62 million inhabitants, and major language is Italian followed by German and French. Major urban areas include Rome, Milan, Naples, and Turin (Central Intelligence Agency 2018).

Economy

The GDP amounted to 1921 billion U.S. dollars in 2017. Besides, in 2016, the service sector contributed around 74% percent to the GDP, 24% came from the industry, and only 2% from agriculture. The unemployment rate was around 11,6% in 2017. Main export partners included Germany accounting for 12,6% of all exports, followed by France with 10,5%, and the US with 9%. On the other hand, leading import partner was Germany accounting for 16,3%, followed by France, China, Netherland, Spain and Belgium ranging between 5 to 9% each of them. These statistics regarding export/import show data from 2016 (Statista 2018).

Culture

Negotiations are usually long and slow. One of the reasons is that Italians tend to evaluate advantages and disadvantages during negotiations. Hierarchy and status are highly valued in a business environment. Italian business meetings tend to be more free and informal. Meetings are flexible, and the Italians are active in conversations (Passport to Trade 2014). Italians interrupt one another and tend to speak simultaneously. The most popular topic for conversation is Italian culture (Today translations 2018).

Italians use hand gestures a lot and an eye contact should be direct because it shows the interest of partners. Businesspeople should also be mindful of Italian partners who stand much closer to each other (Today translations 2018). Italians are not good at languages, and their language level is below-average in comparison with other European Union countries (Passport to Trade 2014). They are talkative, and discussions tend to be emotional. This combination of loquaciousness and emotions may sometimes be misinterpreted as aggression or sign of unprofessionalism (Warburton 2018).

Italians are not punctual. It is advisable to be patient and prepared for a delay. They do not perceive delay as a sign of disrespect. Nevertheless, business partners should arrive on time. Dress code is very important for Italians because it reflects person's social standing. Therefore, it is advisable to look smart in every occasion. Business and negotiations may also be conducted during lunchtime which can last up to three hours. Hospitality is an integral part of Italy's culture. Therefore, a business partner should accept an invitation for lunch or dinner. Otherwise, it may be interpreted as an insult (Today translation 2018).

2.3.3 Portugal

Basic Information

Portugal is situated in the south-west of Europe and includes the islands of Madeira and Azores archipelagos. Portugal has around 10 million inhabitants, and Lisbon is the major urban area. Portuguese is the 5th most spoken language in the world. It is spoken in countries such as Brazil, Angola, Mozambique or Guinea-Bissau (Visit Portugal 2013).

Economy

The GDP was 211,7 billion U.S. dollars in 2017. In 2016, the service sector contributed to GDP about 75%, the industry contributed 22,5%, and the share of agriculture in country's GDP was 2,5%. The unemployment rate was around 10% in 2017. Main export partner was Spain with a share of 26% in all exports in 2016. France accounted for 12,6% of total exports and Germany amounted to 11,7%. A similar scenario occurred in main import partners. Spain is the leading import partner with the share of nearly 33% of all imports, followed by Germany with 13,5% and by France with 7,8% in all imports (Statista 2018).

Culture

Portuguese organizations have a hierarchical structure, and the age and seniority are highly respected. A personal relationship is vital to them because they feel more relaxed and respect and trust their partners. Therefore, it is desirable not to be so fast and forceful at the initial

meeting (Expatica 2018). Business is conducted slowly, so it is advisable to be patient. The Portuguese also do not like high-pressure tactics (Passport to Trade 2014).

The Portuguese are open and relaxed people. They have a good sense of humour, so it is no problem to use it in the initial stage of the conversation. Besides, the Portuguese are indirect concerning verbal communication, and they do not like confrontation. When speaking English with the Portuguese, it is advisable to speak slowly and clearly with standard pronunciation. Besides, a handshake is a standard way of greeting business partners. A gentle handshake is appropriate when greeting a woman. However, a kiss on cheeks may be appropriate as well. Nevertheless, it is advisable to kiss woman only if she offers her cheek (Passport to Trade 2014).

Punctuality is not crucial in Portugal. They have a different approach to time than other western European countries. Businesspeople should know that the Portuguese usually arrive late. It is an essential part of their culture and 20 minutes delay is nothing to be taken aback. Gift giving is a common practice in Portugal, and the Portuguese see it as a sign of respect. Besides, a dress code is very important in Portuguese society. Clothes express person's status and success, so many Portuguese follow current trends in clothing. Business dress is formal in a business environment. Therefore, even in modern and creative companies, employees wear a suit as the most common dress (Passport to Trade 2014).

2.3.4 Spain

Basic Information

Spain's transition to democracy happened in 1975 when dictator Francisco Franco died. Since then the country has recovered from their totalitarian regime and now it is the fourth largest economy in the EU. The country lies in southwestern Europe bordering the Mediterranean Sea, and it is close to Pyrenees Mountains. The weather in summer is hot inland, and mild and cloudy at the coast. Spain has a population of around 49 million people, and the primary language is Spanish. However, the Catalan language is widely spoken in Catalonia region, especially in the metropolis of Barcelona (Central Intelligence Agency 2018).

Economy

Spain has a big problem with unemployment, especially among youth. The unemployment rate was 17% in 2017, which was one of the highest in Europe (Central Intelligence Agency 2018). The country's GDP was around 1 307 billion U.S. dollars in 2017. Services contributed around 74% to the GDP, 23,4% came from the industry and 2,6% from the

agriculture. In 2016, main export partners were France with the share of 15%, and Germany with 11% share of all exports. Major import partners were also these two countries (Statista 2018).

Culture

Before conducting business in Spain, it is appropriate to research each region which is going to be visited. There are some differences between every autonomous region in Spain. For example, Basques are good at industry and commerce. Moreover, Catalans are culturally closer to France rather than Spain and they speak Catalan in Catalonia region. Therefore, it may be appropriate to learn basic Catalan phrases before doing business there. On the contrary, Andalusia region which is located in the south of Spain has completely different customs and traditions (Lewis 2006, 269).

The Spanish are friendly, relaxed and hospitable people. They like socializing before conducting business (Lewis 2006, 271). It is essential to develop a personal relationship with them so that they can trust their counterparts. Therefore, it is advisable to be open and communicative (Passport to Trade 2014).

The Spanish use body language and express gestures more often than other western European citizens. They also stand closer to another person when communicating, and they have an intense eye contact. Besides, first names are usually used only when addressing a family member. Nonetheless, first names and informal way of 'you' may be used at the beginning of business relations. It is especially prevalent in the South of Spain where the relationships among business partners are more informal (Passport to Trade 2014).

The Spanish are unpunctual. They do not like being rushed or restricted (Lewis 2006, 273). Being late in Spain is not considered impolite. Deadlines are usually not solid. Besides, it is appropriate to dress well because they tend to evaluate an appearance of others. Dress code reflects professional achievements as well as the social standing of a person. Designer clothes are recommended for both men and women when conducting business in Spain (Passport to Trade 2014). Spanish people also like going to restaurants, and they tend to eat late in comparison with other western European countries. They start lunch around 2 or 3 p.m. (Lewis 2006, 271).

2.4 Comparison between Western and Southern European countries in terms of culture

Table 5: Comparison between Western and Southern European countries – culture

Western European Countries	Southern European Countries
Organizations – Less hierarchical structure	Organizations – Hierarchical structure
Formal and inflexible meetings	Informal and flexible meetings
Standard negotiation process	Slow negotiation process
Negotiations during lunchtime in restaurants are less common	Negotiations during lunchtime in restaurants are common
It is not important to develop personal relationship before conducting business	It is important to develop personal relationship before conducting business
More direct and hard-working cultures	Friendly and relaxed cultures
Rationally based cultures	Emotionally based cultures
High level of English	Lower level of English
Punctuality is important	Punctuality is not important
Hand shake is a standard	Hand shake is a standard
Moderate eye contact	Stronger eye contact
Not many hand gestures	A lot of hand gestures
No gifts	No gifts except Portugal
Distance between two people (when speaking)	Proximity of two people (when speaking)
Dress code is important in France	Dress code is important in Italy, Portugal and Spain
Kiss on cheeks with familiar people in France	Kiss on cheeks with women in Portugal

Source: Theoretical part – section two

II. ANALYSIS

3 COMPARATIVE ANALYSIS

Basic information

The research was conducted in many towns in the Czech Republic. Seven questionnaires were filled in together with the interviewees. Therefore, these questionnaires are the primary source of information directly from chief executive officers (CEO), commercial managers, product managers and sales representatives. This first-hand information is extensive and detailed as much as possible. Besides, two questionnaires were conducted via phone calls, and two questionnaires were conducted via email.

Data gathering process

Approximately 20 companies were addressed via email. However, the response rate was less than 30%. The greater part of these companies who responded was not willing to meet personally. Consequently, approximately three face-to-face encounters were arranged via email. Besides, roughly ten phone calls were carried out, and about three face-to-face encounters were arranged directly via phone call. One person was contacted personally in November 2017 in Tomas Bata University premises at the occasion of a trade fair.

The data was gathered from January 23rd until March 23rd. Face-to-face meetings were arranged in case of showing interest in the research and willingness to provide the information to the interviewer. Six sessions took place in headquarters of the companies, and one meeting took place in a café. Face-to-face encounters took place in Zlín, Otrokovice, Vsetín, Uherský Brod, Vizovice, Zábřeh, and Šumperk.

At the beginning of the interviews, the interviewer explained the purpose of the interview and introduced himself. The interviewer passed the questionnaire to the interviewee to be able to see the questions. Furthermore, the interviewer was posing the questions and writing down the answers of the interviewee. In case of clarification, both sides asked questions. The interviewer also asked for more detailed information to be able to elaborate on the topic. On the other hand, the interviewee could ask about any clarification regarding any question.

3.1 Western Europe

3.1.1 Avex Steel Products s.r.o. (France)

Basic information

The company is located in Zlín region in Otrokovice. The company has been on the market for 25 years. The interview was conducted with the commercial director in his office in Otrokovice. He manages a branch of commerce and design sector. He is also responsible for

pricing. The company develops and manufactures warehouse technology made from steel. It also produces packing cases, palettes, and containers.

Economy

The company has 250 employees. It does trade with European countries, North America, Asia, New Zealand, Mexico, and Brazil. The company does not have any branch or subsidiary abroad. However, the firm makes their semi-finished products to be manufactured in China. Moreover, 95% of company's production is exported. On the other hand, they import materials from China.

Culture

The company maps a country culturally before doing business with foreign partners. It uses Kompass database which connects organizations throughout the world. This database enables companies to find new customers or clients in a certain area. Moreover, it is also useful for improvement of sales, and for gaining new suppliers. Besides, the company uses Czech Trade agency for the support of export. This agency facilitates a choice of the appropriate area for exporting, and it shortens the time for entering a foreign market. Czech Trade also supports further development of the company abroad and thanks to this agency, the company creates analysis and studies cultural differences.

The firm's first foreign relations are established via phone call or email. Phone calls account for 90% and contacting via email accounts for 10%. Once contact is made, the company communicates with its trading partners via email or phone calls. Furthermore, the French are punctual, and they shake hands in the first face-to-face meeting, but they do not practise mutual kiss. The company communicates in the French language both written and oral communication. Nevertheless, the English language is also used, especially in verbal conversation. Besides, the firm visits French company Michelin four times a year which is an important business partner of Avex Steel Products.

Business meetings have a friendly atmosphere. The French are dressed informally, and they usually wear jeans, a shirt and a jacket without a tie. French businesspeople are punctual which may be perceived as a sign of respect towards trading partners. Besides, religion is not an important part of business relations. According to the interviewee, French trading partners have similar manners as Czech businesspersons.

3.1.2 Fatra a.s. (France)

Basic information

Fatra is headquartered in Napajedla in Zlín region and was established in 1935. The company manufactures PVC, polymers and other custom-made products. The data was gathered via email, and the questionnaire was filled in by salesperson who is responsible for selling waterproofing membranes.

Economy

Fatra has around 1300 employees. The firm does business with the whole European continent as well as with other continents depending on products. The company has been selling their products to 53 countries and been trading in waterproofing membranes since the 1980s. These membranes are exported through a distributor to other countries. Moreover, its sister companies are located in the United Kingdom and Russia. These affiliates are called Fatra UK and Fatra OOO.

Culture

Fatra does not map foreign countries before exporting. The firm employs employees from the country of origin in culturally distant countries such as India or Japan. The first contact with trading partners is done via phone and email. Firstly, the company uses email to establish relations. Then, in case of interest, a business meeting is arranged. The interviewee claims that the French are punctual, and they often come to meeting in advance. Moreover, Fatra gives gifts to new customers together with its catalogues. Concerning manners, French businesspeople generally shake hands. They also practise kissing on cheeks, but only among themselves.

Fatra communicates both in French and in English with French trading partners. The company communicates via phone, email and it also arranges face-to-face encounters. French businesspeople are very formal in terms of manners and choice of vocabulary. According to the respondent, the French do not have any specifics of non-verbal communication, and religion is not considered to be important in business meetings. Further, the French do not have any other rituals that would be different from the Czech ones.

3.1.3 Greiner s.r.o. (Germany)

Basic Information

The interview was conducted via phone call with the commercial director. He leads two teams of people who are responsible for trading relations. Although the firm in Slušovice was established in 1992, Greiner has been on the market for 150 years. Main products of the

company are plastic bottles, plastic food containers, water cans, plastic cabs and plastic buckets.

Economy

Greiner employs 9 500 people, and 800 of them work in Slušovice. The firm has 138 branches in 30 countries throughout the world, and it has 100 own manufacturing facilities in these countries. On the contrary, it imports goods mainly from South and North America and Asia.

Culture

Greiner maps foreign countries in terms of culture before entering foreign markets. The firm is embodied in Kompas, and it uses this database to expand business and to find new customers abroad. Greiner sets its commercial interests utilizing this database, and it looks for target customers according to these interests. The company also uses Czech Trade agency which supports international trade. Moreover, the firm uses the services of Czech consulates which are part of the ministry of foreign affairs of the Czech Republic. Greiner also participates in international trade fairs where the company presents itself.

The first contact with foreign partners is usually established via phone calls which account for 80%. Then, email is used when the connection is already established, and both sides need supplementary information regarding products. When the project is being implemented, the firm communicates via email in 70% of cases, and via phone in 20% of cases. First face-to-face encounter is usually in trade fairs; otherwise, it is usually arranged once a year.

The Germans are punctual, and they may even show up few minutes before a business meeting. They show their proverbial German precision. Moreover, handshaking is a typical manner in business meetings. On the other hand, mutual kissing is not appropriate in German business etiquette. According to respondent, gift giving is not popular anymore, and it is not a common practice. The interviewee also claimed that business culture is slightly different in each region in Germany. For instance, people behave differently in Bavaria and differently in the rest of Germany. People in Bavaria are much more friendly and relaxed. On the contrary, people are less accessible and colder in the rest of Germany concerning communication.

Businesspeople in Greiner mostly communicate in English both personally and via email. Nevertheless, they also communicate in German, French, and Spanish. They are formally dressed which is not commonplace for negotiations and meetings in the rest of Western Europe. They usually wear a shirt, jacket, and suit. Besides, they do not have any particular rituals and religion is not important in business context.

3.1.4 TEAZ s.r.o. (Germany)

Basic Information

The respondent is the head of sales department and addresses new offers and deals with new demands. He also deals with the technical design and with pricing. The company has been on the market for 14 years and it manufactures custom-made single-purpose machines. The data was gathered via phone call.

Economy

TEAZ employs 85 people. It has been doing trade with the whole Europe, Mexico, Brazil, USA, Indonesia and China for ten years. Besides, the company exports 4% of their production to European Union and 1% to the rest of the world. On the other hand, it imports materials from Germany.

Culture

The firm does not do any cultural research before going abroad. However, managers and workers usually share their foreign experience with each other. Besides, the first contact with foreign partners is usually established via email, and then via Skype. Further, if the order is arranged, an appointment is made. Once contact is established, the firm communicates via phone or email to address new orders or technical conditions of the machinery.

The first encounter with the Germans did not have any specifics in terms of culture. According to the respondent, the behaviour patterns are very similar to Czech culture. Besides, TEAZ communicates in English in both written and oral form. According to the interviewee, the most important thing is mutual understanding between both sides in terms of professional language. This understanding is more important than perfect fluency in English. Nevertheless, German businesspeople are fluent in English. As for dress code, German management wears a business suit and a tie. On the contrary, technicians wear t-shirt and jeans. Besides, the Germans are usually punctual including phone calls which are arranged at a certain time. Otherwise, German businesspeople do not have any different manners or rituals in comparison with the Czech businesspeople.

3.1.5 JVŠ s.r.o. (Germany)

Basic Information

The company is located in Postřelmov, and the data was gathered via email. Respondent carries out many responsibilities such as the purchase of materials and components or paperwork. He is responsible for delivery of materials and semi-finished products. He is also

a driver in case something needs to be transported. The firm has been on the market since 1991. It manufactures plastic tanks, pumps or anode bars.

Economy

JVŠ has 21 employees, and it does trade with Finland, Germany, Netherlands, China, Taiwan, and Canada. The firm exports only plastic tanks. On the other hand, it imports materials from other countries. Besides, the firm does not have any branch abroad.

Culture

The firm does not do any cultural mapping before entering a foreign market. The first contact with foreign partners is established via email. As soon as the contact is established, a responsible person communicates via phone or email. Besides, face-to-face encounter with foreign partners is rarely arranged. In addition, the firm communicates with German partners in English in both written and oral form.

According to respondent, the greeting with the Germans is like Czech greeting. Therefore, handshaking is a norm of polite behaviour. German businesspeople are punctual, friendly and discussion with them is amicable. They are also willing to talk about their culture, politics, food or sport.

3.1.6 J&T Wood s.r.o. (Belgium)

Basic Information

The firm is located in Šumperk in northern Moravia. The face-to-face interview was conducted with the CEO of the company. His responsibilities cover broad sphere of activity. He is responsible for management of the company, business negotiations and searching for factory orders. He also calculates pricing and costing. Moreover, he is also recruiting new staff and does the paperwork. The firm became operational two years ago. It manufactures solid wood furniture such as bookcases, kitchen furniture, chairs, beds, tables and kitchen cupboards.

Economy

The company has ten employees. It has been doing trade with Belgium and Germany for two years. It does not have any branch abroad, therefore it only exports. Besides, the firm does not import any material for their production since it uses wood only from the local market.

Culture

The firm does not map foreign countries and its cultural differences. CEO asserts that the company is too small, and therefore cultural mapping is not relevant to them. The company only uses information from the Czech Trade agency to go through the necessary information.

The company is planning to visit a trade fair in London to come into contact with foreign partners. The firm has established relations with four trading partners so far. First and fourth partner was contacted via email. Second and third partner was contacted personally. After establishing these relations, J&T Wood communicates with these trading partners both via email and via phone. Furthermore, a face-to-face encounter is usually arranged once a year. Further, the company communicates in English in both written and oral communication. Handshaking is a commonplace in business meetings. Concerning the behaviour of Belgian businesspeople, they are discourteous and inconsiderate in terms of negotiations. According to CEO, they look down on Czech people and perceive the Czech Republic as a part of Eastern Europe. And besides, Belgian businesspeople have aggressive verbal communication and rude behaviour. Non-verbal communication is the same as in the Czech Republic. As for perception of time, Belgians want to reply to the email as soon as possible, specifically in 1 or 2 days. On the other hand, Belgians themselves may answer to counterparts' emails in 7 to 14 days, and it is fine for them. A similar situation occurs in face-to-face encounters. If Belgian businessperson comes late, everything seems to be fine. On the contrary, if Czech businessperson is delayed, Belgians are angry. To sum up, according to CEO, Belgians tend to be superior to Czech culture, especially in a business environment.

3.1.7 SULKO s.r.o. (Belgium)

Basic Information

Sulko is located in northern Moravia in Zábřeh. The face-to-face interview was conducted with the export manager who is responsible for team management. The company has been running for 25 years and it sells plastic, aluminous and wooden windows.

Economy

Sulko employs 215 people. It does trade with Switzerland, Belgium, France, Luxembourg, Austria, Denmark, and Sweden. The firm has been trading with these countries for 20 years. Besides, the firm does not have any affiliate abroad, so it only exports.

Culture

The firm does not map culture in a foreign country before entering the market. The management usually sends a person who has already visited and had certain experience with the foreign country and its culture. Regarding the first contact with foreign countries, they solely communicate via email. As soon as relations are established, the firm communicates

via phone or email. Sulko also arranges personal encounters at least twice a year; however, it depends on needs of both sides.

Belgians usually come to meetings in advance, so they are punctual. Handshaking is regarded as commonplace in business meetings. Moreover, the company does not give any gifts to trading partners. It only brings promotional materials connected to their business such as catalogues. According to the interviewee, it is desirable to communicate with Belgians in their language if possible. Therefore, the firm communicates in the French language in Wallonia region, and in the German language in Flanders region. Nevertheless, people speak mainly Dutch in Flanders region. Besides, a business dress code is casual among businesspeople, so they wear comfortable clothes such as shirt and jeans.

3.1.8 KOMA Modular s.r.o. (Netherlands)

Basic Information

KOMA Modular is headquartered in Vizovice where the interview was conducted. The interviewee's position is area sales representative. He is the head of sales department which deals with France, Belgium, Netherlands, Luxembourg, and Scandinavian countries. His duties are seeking new orders and order processing. The firm has been on the market since 1992. Its business portfolio is comprised of designing, manufacturing and building modular homes. KOMA also supplies these residential buildings to its customers.

Economy

The firm has 250 employees. It does trade with Slovakia, Germany, Switzerland, Norway, Belgium, Netherlands, Luxembourg and France. It does not have any branch abroad, however, it exports 80% of its production. Besides, KOMA imports materials from Germany and Slovakia.

Culture

The company studies foreign cultures before entering foreign markets. A businessperson usually searches for information through Google or Wikipedia. KOMA also used Czech Trade agency; nevertheless, it is not using it anymore for lack of support. Moreover, the company does market research in respect of entering foreign markets. It also conducts competition monitoring in foreign countries including current prices.

First business connections are established via email or phone call. Further, face-to-face encounters are especially important in terms of company presentation. Besides, the Skype is also used frequently as a mean of communication. According to the interviewee, any company has a chance to succeed in Dutch market despite worse initial offering in terms of

price. This situation might happen when a firm presents itself and its products better than a competitor. Once connections are made, face-to-face meetings take place more often. These meetings are arranged with important people with major orders and enable companies to have good relationships with each other.

Dutch business people are almost as precise as Germans. Nonetheless, the Dutch are more relaxed and easy-going. They have extensive experience in business, and they are well prepared for negotiation. Therefore, they have an uncompromising stance on price, so they try to push prices down as much as possible. On the other hand, they are fair in terms of negotiation, and they are good cooperation partners with a high level of professionalism. Dutch people speak English fluently including the elderly or factory workers, so the firm communicates solely in English. Besides, the Dutch usually go on time; however, they are not concerned about being late. Further, Dutch businesspeople usually eat at their offices, so they do not go to restaurants. Their first hot meal is usually served at dinner.

3.2 Southern Europe

3.2.1 Austin Detonator s.r.o. (Greece)

Basic Information

Austin Detonator is headquartered in Vsetín where the interview was conducted. Responsibilities of the product manager are customer service, dealing with complaints and organization of training. He gathers initiatives from its customers and tries to fulfil their desires. He also deals with the usage of explosives and its safety. The firm has been on the Czech market since 1999; however, the production began in 1953 when the first detonator was manufactured. These days, the company manufactures electronic, electric and non-electric detonators.

Economy

The company employs 960 employees and does business with Scandinavian countries, the Baltic countries, the Balkan countries, and other European countries. It also exports its products to Middle East, Asia, the USA, Latin America, Australia or New Zealand. The firm has been trading with European countries for 19 years. It has also been exporting to Asia since 2006, and to Africa since 2012. Besides, the company has ten branches abroad. These branches are repairing companies or manufacturing facilities. The firm exports more than 98% of its production. On the contrary, it does not import any material.

Culture

The firm maps the culture of foreign countries before conducting business abroad. Businessperson studies basic cultural differences in the website of the ministry of foreign affairs in the Czech Republic. This person reads up on especially delicate topics and the information about religion. A business person also looks into entries to foreign countries including visa requirements and vaccination.

First foreign contact is established via phone call. Once contact is established, the firm communicates via email and phone. If necessary, a face-to-face encounter is arranged as well. The communication with Greek partners is in the English language in both oral and written form. Concerning business etiquette, handshaking is a commonplace. Greek people speak more loudly, and their negotiation style is forceful and aggressive. They also haggle over the price. Regarding nonverbal communication, they often gesture with their hands and speak closely to another person. This may awaken a certain feeling of aggressiveness. Their dress code is casual, and they wear a shirt with trousers. Greek businesspeople usually come late to meetings. Their average delay is around 15 minutes.

3.2.2 Vitar s.r.o. (Italy)

Basic information

Vitar is located in Zlín where the interview was conducted. The interviewee is commercial director of export. Her responsibilities are primarily sales outside the Czech Republic. She also deals with orders for other companies which are not able to produce its products by themselves. The firm has been on the market since 1990. Its products are vitamin supplements, food supplements and non-alcoholic beverages Capri Sonne.

Economy

Vitar has around 200 employees. The firm does trade with many countries in Europe including Spain, Cyprus, Hungary or Bulgaria. It also exports to countries outside Europe, for example to Lebanon, Taiwan or Irak. The firm is not in business in Germany, because German products are cheaper due to economies of scale. Therefore, Vitar is not able to enter German market. The company is also not able to do trade with the US, because there are barriers to entry into the market in the form of import protection. Besides, the company imports almost everything from abroad because raw materials are not available in the Czech Republic. Vitar also has one subsidiary company in Slovakia.

Culture

Cultural mapping is crucial for the company. Vitar uses Czech Trade agency and Business info webpage as its source of information. Then they search for information about countries and their culture. Firstly, they focus on religious differences. Then they study the representation of men and women in their business sector to adapt their negotiations. And lastly, they search for current political and societal climate. They also consider country's GDP and which part of public sector predominates in a country.

The first contact with potential customers is usually established through trade fairs. These trade fairs are preferred because these potential customers can scrutinize the products of Vitar. The company itself does not seek new customers. The customers usually find the company thanks to its unique portfolio of products. As soon as the contacts are established, high-level meetings are held once a year. Preferred communication with the customers is via email because both sides might express their desires more precisely.

Italians are usually punctual and sometimes come in advance to a business meeting. Time management is a key feature of professionalism for them. According to the interviewee, greeting with Italians is very similar to Czech greeting. Gift giving is not a usual manner; however, it might be appropriate in case of a long-term partnership. Vitar communicates in English in both oral and written form. Concerning verbal communication, Italian are not usually fluent in English. Nonetheless, the interviewee dealt with Italians whose English was fluent. They gesture more often with their hands, and they are more emotional and friendly. It is very important for them to look good. Besides, Italians often go to restaurants to have business lunch. The lunch has the menu of several courses, and it may last two or three hours.

3.2.3 Teknia Automotive – Plastic Division a.s. (Spain)

Basic Information

Teknia Automotive is located in Vizovice where the interview was conducted with the commercial director. His duties are gaining new customers and communicate with them. The company has been on the market for 25 years. The firm manufactures plastic products for cars such as airbag covers, side airbags, dashboard components and parts of car lightening.

Economy

Teknia Automotive employs 290 people. The firm has been doing trade with Germany, Poland, France, Sweden, Romania, Italy and Spain for 17 years. Moreover, it has twenty subsidiaries abroad and exports 95% of company's production. On the other hand, the firm imports materials and components from the US, Germany and South Korea.

Culture

Businesspeople in Teknia are gaining information about cultural differences from Google. They focus on fundamental differences including etiquette. Furthermore, they also search for the information regarding the attitude to business and business negotiation. Teknia also uses the information from colleagues who have some experience with foreign cultures.

The firm establishes new contacts in three steps. Firstly, they present themselves via email. Secondly, they communicate via phone. And lastly, the meeting is organized if the contact is established. As soon as the contacts were established, the businessperson in Teknia communicates via phone with the Spanish ten times a day. Besides, face-to-face encounters are organized only with long-term business partners. These encounters take place approximately six times a year.

Handshaking is a standard greeting with Spanish partners. Spanish people usually come late and may sometimes be delayed more than thirty minutes. Besides, the Spanish addresses their business partners including managers with the first name. They are courteous, open-minded and emotive people. On the other hand, they are sometimes disorganized. Businessperson from Teknia communicates in English or Spanish in both written and oral form. The Spanish speak faster and more loudly. They also have a strong Spanish accent, and they use Spanish words together with English ones when speaking in English. They use hands and pull a face while speaking. They speak to others in proximity which corresponds to their relaxed and open culture.

Business meetings do not finish on time because the Spanish are usually late. Moreover, time and place of negotiation are much more flexible than in the Czech Republic. Business and negotiations often take place during lunchtime. This lunch usually starts around 3 p.m. which is much later than in the Czech Republic. The same applies to dinner which may start around 10 p.m.

3.3 Comparison between Western and Southern European Countries in Terms of Culture

Western Counties

Handshaking is a standard manner in every selected country. Businesspeople are punctual and usually go on time. They have a high level of English language and use formal vocabulary appropriately if needed. Otherwise, the analysis demonstrates that manners and rituals are similar to Czech ones. Therefore, business partners do not practise any mutual kiss among themselves. They are usually dressed formally, and their non-verbal

communication does not have any specifics. Moreover, business meetings in these countries are usually held in company's headquarters. Therefore, lunchtime or dinner meetings are not common in these countries. Moreover, gift giving is not a popular manner. There are given only in forms of brochures or leaflets. Businesspeople in Western European countries have a professional approach.

Southern Countries

Handshaking is also a standard in Greece, Spain, and Italy. On the other hand, businesspeople in these countries are not as punctual as in Western countries. The analysis shows that they are delayed in both face-to-face meetings and phone calls. Besides, they tend to speak more loudly and may speak faster than Western Europeans. Their negotiation style is more forceful, which may correspond with their emotionality. On the other hand, they are friendlier and more relaxed than Western Europeans. Besides, gift giving is usually in form of brochures or leaflets. South Europeans gesture with their hands a lot and tend to speak to another person in proximity. Their level of English language is not as high as in Western European countries. Nonetheless, businesspeople in bigger companies can speak fluently in English regardless of their nationality. Further, businesspeople in Southern European countries often go to restaurants to do business. Negotiations may take place during lunchtime or dinner. On the contrary, these business lunches are not common in Western European business etiquette.

Table 6: Comparison between Western and Southern European countries – culture

Western European Culture	Southern European Culture
Negotiations in headquarters	Lunchtime or dinner meetings
Straightforward cultures	Relaxed and easy-going cultures
Rational behaviour	Emotional behaviour
Punctuality is important	Punctuality is not important
High level of English	Moderate level of English
Keep some distance	Friendlier
Moderate speech	Loud speech
Conservative body language	More hand gestures, speech contiguity
Distance between two people (when speaking)	Proximity of two people (when speaking)

Source: All the Interviews

The comparative analysis demonstrates many cultural differences between Western and Southern European countries. These differences should be taken into consideration to know how to behave and react when dealing with these cultures. There are some national traits and stereotypes which create a cultural cluster. Nevertheless, it is advisable to approach every culture differently regardless of a cultural cluster because every country has slightly different customs and manners.

The analysis shows that every company establishes its first contact differently. Companies have a diverse approach to contacting its potential foreign partners. It depends on the industry that a company occurs in. Majority of companies establish their first contact via phone call or email because they are fast and cheap means of communication. However, some companies prefer face-to-face encounter to present its company and meet foreign partners personally. For instance, in the Netherlands, the presentation of a company may be more important than a phone call or email. A face-to-face presentation may induce your potential partners to conduct business with you. Nonetheless, it also depends on the financial situation of a company. Some of them cannot afford to visit their potential foreign partners often due to their budget limitations.

The analysis shows that handshaking is a standard form of greeting in every selected country. On the other hand, religion does not have any influence on business negotiations and is not regarded as important. It may be relevant only outside the European Union where cultures are more distant. Besides, the majority of business negotiations are conducted in English language which is widely used in each of selected countries. Nevertheless, it may be an advantage to speak French, especially when dealing with France or Wallonia region in Belgium. The French language is still widely spoken primarily in the business environment, and it sometimes might be vital to speak French fluently to establish contact. The analysis shows that Avex Steel Products, Fatra, Greiner, and Sulko communicate in French with their partners. Therefore, the French language is still recognised in a business environment. It might be connected to French pride and unwillingness to speak English. Moreover, Greiner also communicates in German and Spanish which might be a significant advantage in comparison with other companies.

When dealing with Germany, Spain or Belgium, it is advisable to search for more concrete information about the region that the company is going to visit. Germany has several federal republics, and for example, Bavarian customs and manners might be different from Lower Saxony or Berlin. This idea is also mentioned by Greiner's commercial director who

proposes that people in Bavaria are friendlier and more relaxed than people in the rest of Germany. It mainly applies to communication.

Belgium has French-speaking Wallonia and Dutch-speaking Flanders. These two regions speak different languages, and their traditions are different. Therefore, businesspeople in Sulko speak French in Wallonia and German in another part of Belgium. According to the interviewee, it is beneficial to speak their language. Besides, Spain also has many culturally distinct regions such as Catalonia, the Basque country, Andalusia or the area of Madrid. These regions speak different languages and have different approaches to business. Therefore, further research is necessary when dealing with Spanish counterpart in various areas.

According to theory, Spanish people address only relatives with the first name. However, commercial director of Teknia asserts that the Spanish address their business partners with the first name including managers. On the other hand, business lunch in Italy or Spain and its timing correspond with the theory. Thus, they start lunch around 2 or 3 p.m. and it may last up to 3 hours. Moreover, the analysis demonstrates that it is crucial for Italian to look good which entirely correspond to theory. The analysis confirms that Southern European countries negotiate during lunch time or dinner. It also proves the use of hand gestures and proximity during a face-to-face speech. The analysis also confirms that Western European countries do not use many hand gestures and keep distance between two people when speaking.

3.4 Analysis of Cultural Mapping

The analysis demonstrates that six companies map or analyse foreign countries concerning culture. On the contrary, five companies do not map foreign countries culturally before conducting business abroad. Six companies are especially looking for export opportunities. Moreover, Fatra, Greiner, Austin Detonator, Vitar and Teknia have affiliated companies abroad. These bigger companies may invest directly in new foreign facilities to expand its production in the future.

Companies can be classified into four groups according to their size. Enterprises might be micro, small, medium or big-sized businesses. Micro businesses have ten employees at most, small-sized have 50 employees at most and medium-sized have 250 employees at most. Big-sized enterprises have more than 250 employees (Hartmann 2015).

Micro and small-sized businesses do not map a culture abroad before dealing with foreign partners. The CEO of JT Wood claims that the company is too small, so there is no need for cultural mapping. On the other hand, TEAZ does not analyse foreign market because their

managers gain information about a foreign country from someone who has international experience. Nevertheless, bigger companies such as Sulko or Fatra also do not analyse foreign countries in terms of culture. Therefore, there are also bigger companies which do not map or analyse foreign countries culturally. Thus, there is no correlation between the size of a company and cultural mapping. It is probable that smaller companies do not perceive cultural mapping as relevant to them. It may also be costly for them to analyse foreign markets and culture due to their budget constraint. Their cash flow is also generally lower than in more prominent corporations.

Avex Products and Greiner use Kompass database which is useful for expanding business abroad and for finding new markets overseas. Greiner uses this database to find their target customers that correspond with commercial interests of the company. Many companies including Avex Products, Greiner, JT Wood, and Vitar also use Czech Trade agency which supports international trade and export. This agency also provides practical information and tips in terms of doing business with foreign partners. Besides, Austin Detonator takes advantage of the data from the ministry of foreign affairs in the Czech Republic. The company studies entries to foreign countries as well as visa requirements and vaccination. KOMA Modular and Teknia automotive gain all necessary information from Google or Wikipedia. Teknia focuses on etiquette differences and business negotiations, whereas KOMA monitors competition and does market research in term of entering foreign markets. Greiner and Vitar are companies that put emphasis on cultural mapping and analysing foreign markets. These firms perceive cultural mapping as necessary and essential part of conducting business abroad. These two companies have the most complex analysis regarding conditions in foreign countries. Greiner uses the services of Kompass database, Czech Trade agency, Czech consulates and ministry of foreign affairs of the Czech Republic. Vitar uses Czech Trade agency and the information from Business info webpage. Vitar is the only company from the analysed ones which considers and studies the importance of men and women in a business sector. This idea shows consideration for Hofstede's concept of masculine and feminine societies. Vitar also searches for political and societal climate in a potential foreign market. The company considers the GDP of a potential country and evaluates the public sector that predominates in a particular country.

The analysis of power orientation or masculinity or femininity society may also be highly beneficial. The only company considering the role of men and women is Vitar. Differences between the sexes differ in every country. It may be an advantage to know who the head of a company is or who is going to negotiate. Further, specific steps can be made to adapt the

approach of a counterpart and eventually send a woman for a business meeting. On the other hand, the awareness of power distance of a specific country may reveal who is going to negotiate in terms of power. Only top management is going to negotiate in one country; however, sales representatives or commercial managers might negotiate in another country.

4 RECOMMENDATIONS FOR COMPANIES

Nowadays, many companies do not map foreign countries with respect to culture. Besides, they also do not consider evaluating foreign countries in terms of entering international markets. Companies with a lower number of employees do not consider cultural mapping. However, there are also big companies that do not put emphasis on analysis of the foreign environment. Cultural mapping and analysis of foreign market should be commonplace for companies who want to succeed internationally in today's globalised market.

Advantages of cultural mapping and analysis of foreign markets:

- Companies and its representatives know how to approach foreign partners
- Companies and its representatives know how to behave in unfamiliar situations
- Communication with a company's counterparts is more effective
- It is probable that a company maintains its current relations
- Cultural intelligence and awareness might prevent any disputes with foreign partners, and therefore lower the probability of being misunderstood
- Companies with cultural awareness may win a contract more easily
- Companies with cultural knowledge can adapt the behaviour to their counterparts which may entail mutual understanding, and thus avoid mutual mistake
- **Recommendations for companies include:**

BusinessCulture.org (Passport to Trade)

This website provides businesspeople with European business culture guide and highlights the differences between countries regarding culture. It includes up-to-date information about European business culture, and it enables businesspersons to eliminate a knowledge gap about European countries. This project has been funded with support from the European Commission (Passport to Trade 2014). Businesspeople or managers should go through this webpage because there are many unique findings that may be highly beneficial. It may significantly broaden their horizons and learn many valuable observations in terms of business culture, business communication or business etiquette.

Hofstede's country culture tools

The website called hofstede-insight.com provides two different types of tooling that measure the differences between different countries. These tools are especially useful for those who want to improve their global cooperation and to do business efficiently (Hofstede 2018).

1. The Hofstede insights Culture Compass

The Culture Compass is an instrument that will help people avoid cultural pitfalls that may arise when dealing with people from another culture. After answering a questionnaire, feedback is given. Culture Compass costs 39 euro (Hofstede 2018).

2. The Hofstede insights country comparison tool

This free tool enables a comparison of many countries through six dimensions. These dimensions are power distance, individualism, masculinity, uncertainty avoidance, long-term orientation, and indulgence. After choosing one or more countries, a person can read more about every country and its dimensions (Hofstede 2018).

Online Course: Developing cultural intelligence for leadership

This online course is available on the website futurelearn.com. The course is appropriate for any leadership or management role in international business. It helps to develop the skills to lead across divides and thrive in multiple cultures. It identifies the cultural influences that make people think and act the way they do, and it emphasises the importance of self-knowledge (Middleton 2018). This course may set the scene for further intimate knowledge of cultures. It is recommended for managers and leaders who want to enhance their cultural knowledge and awareness.

Kompass database

Kompass includes a worldwide database which is available for everyone who is willing to pay for its services. Kompass helps you find new customers according to the preferences and the area of interest. Kompass also enables companies to analyse the competition, the industries or potential markets abroad. The database can offer unique data which may help managers to adapt their decision-making process (Kompass 2018). Companies should access the data if they want to expand and do trade internationally.

Czech Trade agency

The goal of this agency is to develop international trade and facilitate mutual coordination between Czech and foreign organizations. Czech Trade offers unique information regarding foreign cultures and gives tips how to deal with foreign partners. It provides information about business etiquette or negotiation process in many countries throughout the world. These tips are available online for everyone for free (Czech Trade 2016). It is advisable to go through these tips to be aware of fundamental cultural differences and approaches. These tips may serve as a guideline for further elaboration of cultural facts. Businesspeople should also look into the specific information about a country which may be valuable for further decision-making process.

Business Info webpage

This website provides a wide range of information such as opportunities for export, statistics of international trade or overview of trade fairs. The website is especially useful for companies that want to export (Business Info 2018). Companies that are planning to start exporting should consider this webpage because they can search for any information connected to international trade and export.

Ministry of foreign affairs

This website enables companies to find out specifics about every country in Europe. The website provides the information about the current political situation, visa requirements, travel documents, safety precautions and others. It contains all essential information for travelling abroad (Ministerstvo zahraničních věcí 2018). Companies should check especially the information about visa requirements or vaccination. The website also covers information about religion and languages.

CONCLUSION

Businesspeople should understand the differences between cultures, especially those who trade and negotiate with international partners. Companies that do cultural mapping and analyse foreign environment have a higher chance to succeed in international trade. Countries are interconnected more than ever; therefore, there is a high need for cultural intelligence and mutual understanding between nations.

The research showed that many companies do not emphasise cultural mapping as they should have. Particularly micro, small or medium-sized companies do not analyse foreign environment. Small firms either perceive cultural mapping as irrelevant or they have some people with international experience. These people hand on the information to others who need it or deal with foreign partners by themselves. Micro and small-sized companies may also have budget limitations which make cultural mapping impossible. Nonetheless, there is a lot of information online including certain courses. Besides, there are also much bigger organizations that neglect cultural mapping which may cause financial loss and eventually loss of order.

Practical part demonstrated differences between Western and Southern countries. Western cultures are more straightforward and rationally based. They tend to negotiate in companies' headquarters and their business lunches do not take place as often as in Southern countries. These cultures are fluent in English language and have a high level of professionalism. They value punctuality, and their body language is conservative. Dress code is of great importance especially to French businesspeople.

Southern countries are more relaxed and friendlier. They conduct negotiations with their partners during lunchtime or dinnertime more often than Western countries. They tend to be emotional and use hand gestures a lot. When speaking, they usually talk loudly and stand close to another person. Their level of English language is lower than in Western countries. Dress code is of great importance especially to Italian and Spanish businesspeople.

Based on the analysis, many cultural aspects were found that companies should take into consideration. The importance of cultural mapping was assessed in selected countries and the recommendations were made to provide tools for effective business negotiations. The goal of the thesis was accomplished by providing specific recommendations that may help companies to succeed in international environment. These recommendations also enable businesspeople to negotiate efficiently and to broaden their horizons.

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LIST OF ABBREVIATIONS

BBC	British Broadcasting Corporation
BC	Before Christ
CEO	Chief Executive Officer
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
PVC	Polyvinyl Chloride
UK	United Kingdom
US	United States
USA	United States of America

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APPENDICES

Semi structured interview

Introductory questions

1. What is your post in a company?
2. What is your job content?
3. How long has your company been on the market?
4. What is your main business portfolio?
5. How many employees does your company have?
6. Do you do trade with foreign partners?
 - a. NO
 - b. YES With whom?
How long?
7. Do you have any affiliated branch abroad? Do you export/import? What kind of products/services?
 - a. Affiliated branch
 - b. Export
 - c. Import

First contact with foreign partners

8. Do you map or analyse a country in terms of culture before establishing contact with foreign partners?
 - a. NO
 - b. YES Could you describe the process of cultural mapping?
What are you concentrating on?
9. How do you establish your first contact with foreign partners?
 - a. Face-to-face
 - b. Via phone
 - c. Via email
 - d. Others

10. Does your first contact with foreign partners have any specifics in terms of manners?
- a. Timing (punctuality)...(Arrival in advance, on time, delayed)
 - b. Greeting
 - c. Hand shaking
 - d. Kiss
 - e. Gift
 - f. Others

Dealing with foreign partners

11. In what language do you communicate with foreign partners?
- a. Face-to-face encounter
 - b. In written form
12. How do you usually communicate with your business partners? (Contact has already been established)
- a. Face-to-face
 - b. Via phone
 - c. Via email
 - d. Others
13. Do you remember any specifics in terms of verbal communication? (Accent, speed, loudness, polite phrases etc.)
14. Do you remember any specifics in terms of nonverbal communication? (Facial expressions, eye contact, hand gestures, clothing etc.)
15. What is the perception of time? (In advance, on time, delayed)
16. Does religion influence business relations somehow?
- a. NO
 - b. YES How?
17. Do business partners have any other habits, customs or rituals which are not common in the Czech Republic?