Open-mindedness and adaptive business style: Competences that contribute to building relationships in dissimilar export markets

Abstract

Purpose: This research investigates the role of relational competences, such as open-mindedness and the ability to adapt business style, in developing trustworthy relationships through communication in the export markets in different cultural contexts.

Design/methodology/approach: The analysis is performed on survey-based data from a sample consisting of 39.9% of the total population of Norwegian seafood companies involved in exporting, including 108 business relationships.

Findings: The findings reveal that adaptive business style and communication mediate the overall effect of open-mindedness on trust building between partners in the export markets. The adaptive business style fully explains the effect of open-mindedness on communication. Open-minded persons are better prepared to achieve communication on a high level because they are more likely to adapt business style. Performing adaptive business style improves communication, particularly when the importer belongs to a dissimilar culture. For trust building, communication is equally important, irrespective of cultural differences.

Practical implications: Exporters should aim at recruiting open-minded people because they have the advantage that they are capable of performing a variety of negotiation styles and business approaches, depending on the customer and the situation.

Originality/value: This study develops a model that integrates key constructs from the relational paradigm with constructs rooted in different research streams, extending our knowledge regarding salespeople competences that are important in order to develop business relationships in export markets.
Keywords: Export/import marketing, dissimilar cultures, open-mindedness, adaptive business style, communication, trust

Paper type – Research paper
1. Introduction

When business relations cross national borders, cultural differences between the partners pervade the relationship (e.g. Nevins and Money 2008), which may include different views on the qualities of the relationship, e.g. close and friendly versus formalized and distant (e.g. Harich and Labahn 1998; Voldnes et al. 2012). Trust plays a key role in the development and maintenance of successful cross-cultural business relationships (e.g. Liu 2012; Voldnes and Grønhaug 2015; Voss et al. 2006), and communication is considered as an important antecedent to trust (e.g. Graca et al. 2017; Leonidou et al. 2014; Nes et al. 2007). However, numerous business relationships fail because some salespersons do not have the competences required to develop trustworthy relationships in cross-cultural business contexts (e.g. Lin and Malhotra 2012; Phan et al. 2005). Therefore, the ability to develop and maintain relationships with customers in different cultural settings can be viewed as an asset, in terms of giving the export firm an advantage in performing effectively in competitive international markets (e.g. Gu et al. 2016; Labahn and Harich 1997; Shankarmahesh et al. 2004; Skarmeas et al. 2002). It is recognized that the salesperson has an important role in developing and maintaining a successful relationship with the foreign buyer, and that advancing our understanding of the specific competences that facilitate relationship building is crucial (Gu et al. 2016; Leonidou et al. 2014; Styles et al. 2008). This study responds to this call by investigating the role of the salesperson’s competences, such as open-mindedness and the ability to adapt business style, in developing trustworthy relationships through communication in an exporting context.

Our research is rooted in the relational paradigm. The relational paradigm, also referred to as relationship marketing (Morgan and Hunt 1994; Skarmeas et al. 2008), and the behavioural perspective (Styles et al. 2008), focuses on how relationships between independent business partners are developed and managed (e.g. Leonidou et al. 2014; Morgan and Hunt 1994). It is by developing close and long-term relationships that rewarding results can be
achieved (e.g. Morgan and Hunt 1994; Styles et al. 2008). Relationship marketing has its roots in the relational contracting theory developed by Macneil (1978), who proposes that relational qualities are a result of repeated exchanges between business partners. Relationship marketing contrasts discrete transactions, which are based on the principles of classical economics relying on the market, and thus on price, as a basis of information. In the market based paradigm, exchange partners are treated as anonymous actors independent of past and future relations (e.g. Dwyer et al. 1987). The relationship marketing approach is based on the view that most relationships between independent business partners are characterized by some relational elements (e.g. Dwyer et al. 1987; Zhang et al. 2003).

Communication and trust are two key relational mechanisms that help develop and maintain long-term cross-border business relationships (e.g. Labahn and Harich 1997; Leonidou et al. 2006; Leonidou et al. 2014; Styles et al. 2008). Trust can be considered as an alternative coordination mechanism to hierarchical transaction (i.e. ownership-based control) (Aulakh et al. 1996). The presence of trust hampers opportunistic behaviour, favours long-term interests, and promotes performance (Aulakh et al. 1996; Obadia and Vida 2011; Zhang et al. 2003). The presence of trust also helps sort things out with your partner because in an international context, enforcing contracts is often difficult because of legal differences between countries (Zhang et al. 2003). Besides, the presence of trust is particularly important in exporter – importer relationships because of higher risks in international business (e.g. unexpected political/legal events, change in demand trends, foreign exchange fluctuations), which necessitates reliable import partners (Leonidou et al. 2014).

Two-way communication promotes coordination, cooperation, commitment, trust, and performance (e.g. Alteren and Tudoran 2016; Anderson and Weitz 1989; Labahn and Harich 1997; Leonidou et al. 2014; Nes et al. 2007). Communication is essential to promoting trust in exporter – importer relationships (e.g. Doney et al. 2007; Ketkar et al. 2012; Leonidou et al.
Communication plays a key role in cross-border relationships because of culture and language differences between the partners, difficulties in understanding the needs of distant customers, and difficulties in getting access to immediate and updated information about important events in the host market (Labahn and Harich 1997; Leonidou et al. 2014). Therefore, extending our knowledge base regarding how communication can be promoted in an exporting context is highly relevant (Leonidou et al. 2014). Moreover, communication as a potential mediator has received scant attention in an exporting context and therefore needs further investigation. Exceptions are the studies carried out by Alteren and Tudoran (2016), who demonstrate that communication mediates customer orientation influence on some key performance measures, and Graca et al. (2017), who find that communication mediates the frequency of interactions and the trust relationship. This study extends this knowledge base by investigating the mediating effect of communication between the salesperson’s competences and trust.

Only a few studies have investigated the role of the salesperson’s competences in developing high quality relationships in an export context. One of them is the study of Bello et al. (2003), who find that special knowledge of the product and understanding the customer’s needs lead to a high level of relational exchange. Similarly, Lohtia et al. (2009) find that salespeople delivering key aspects of the marketing mix, such as products with differentiated value, enhance trust with the partner. These studies investigate the role of marketing and product-related competences. However, marketing competences are not sufficient to deal successfully with business partners from another culture (Phan et al. 2005; Styles et al. 2008). Equally important are the relational competences such as open-mindedness and ability to adapt (Harich and Labahn 1998; Holzmüller and Stöttinger 2001; Styles et al. 2008).

Literature within international human resource management (e.g. Caligiuri 2000; Chen et al. 2010; Downes et al. 2010; Mendenhall and Oddou 1985) and intercultural effectiveness
(e.g. Hammer et al. 1978; Kim and McKay-Semmler 2013; Pitts 2016) considers open-mindedness as a prerequisite for expatriates’ and sojourners’ ability to adjust to and establish a close relationship with locals in the host country. An expatriate who is open to the views of people in the host country achieves a clearer information transmission and is prepared to build relationships that are beneficial to both partners (Mendenhall and Oddou 1985). Similarly, open-mindedness and non-judgemental attitude are viewed as important characteristics of a salesperson who manages cross-cultural business relationships because he/she will try to understand the customer in the context of his or her own cultural background (Chaisrakeo and Speece 2004; Harich and Labahn 1998; Nguyen and Nguyen 2014).

Some of the researchers who focus on exporter – importer interactions have investigated the need for adaptation, but they have frequently defined adaptation in terms of adjustments in structures, processes, and strategies in order to accommodate the objectives and needs of the business partner (e.g. Leonidou et al. 2006; Leonidou et al. 2014). The skill to adapt the business and negotiation style according to who is your business partner has attained less attention in an exporting context. This is surprising, as the ability to perform adaptive skills is critical to enhance communication with partners from a different cultural context (Bush et al. 2001; Harich and Labahn 1998). Salespeople in export companies are faced with a wide variety of business situations in which the ability to adapt should be a valuable asset (Blocker et al. 2012; Gu et al. 2016). The adaptive selling scale has primarily been tested out in a national market, and testing it out in various cross-border contexts complies with the criterion of including a variety of business encounters (Blocker et al. 2012; Spiro and Weitz 1990). Thus, one objective of this study is to investigate whether competences such as open-mindedness and adaptive business style promote communication, and whether these two competences, through communication, contribute to developing trust between partners.
Research shows that there are significant differences with regard to the level of relational qualities, depending on whether the customer is located in a dissimilar or in a similar culture (e.g. Bianchi and Saleh 2010; Liu 2012; Nes et al. 2007). The concept cultural dissimilarity is rooted in the concept cultural distance (e.g. Ha et al. 2004; Nes et al. 2007), which refers to the sociocultural environment in a country. The cultural distance concept assumes that the sociocultural distance between the home and the host country causes uncertainty because of lack of behavioural transparency and difficulties in accessing the right information (Ha et al. 2004). Because culture provides some rules for how to interpret the content of communication (Kalé and McIntyre, 1991), business partners are likely to face some challenges in the encoding and decoding of communication (Adler 2002; Bello et al. 2003). In addition, in an exporting context, big differences in culture between business partners could also distort and harm the quality of information flow, which makes it difficult to build close relationships characterized by trust (Leonidou et al. 2006; Leonidou et al. 2014). Identifying mechanisms that reverse these potential negative effects of big cultural differences on communication and trust is therefore of critical importance (Gu et al. 2016; Leonidou et al. 2006; Leonidou et al. 2014). The second objective of this study is twofold: to test the extent to which open-mindedness and ability to adapt business style are more relevant for promoting communication with customers in dissimilar cultures than in similar cultures, and whether it is more difficult to build trustworthy relationships based on communication in dissimilar cultures than in similar cultures.

This study contributes to export marketing literature and practice by (1) integrating key constructs in the relational paradigm (communication, trust) with the following constructs rooted in other streams of research: open-mindedness (international human resource management, intercultural effectiveness), the ability to adapt business style (adaptive selling), and similar/dissimilar culture (internationalization process approach) in order to extend our
knowledge base regarding how the salesperson can achieve trustworthy relationships with the import buyer; (2) developing new knowledge concerning the mediating effects of ability to adapt business style and communication; (3) addressing the questions whether relational competences such as open-mindedness and the ability to adapt business style are important for the development of trustworthy business relationships in export markets in general and in dissimilar markets in particular, and whether the relationship between communication and trust is weaker in dissimilar cultures than in similar cultures; and (4) proposing practical directions to exporters.

2. Development of hypotheses

2.1 The mediating effect of adaptive business style in the open-mindedness – communication relationship

Open-mindedness refers to a salesperson’s openness toward new experiences and situations, implying an easier acceptance of new information (Hammer et al. 1978; Harich and Labahn 1998). An open-minded person is prepared to consider the view of others even if it contradicts his/her own belief (Haran et al. 2013). A salesperson with an open and non-judgemental attitude can be associated with the cosmopolitan person, the globetrotter that is eager to explore and learn from different views held by others (Levy et al. 2007). In contrast, people who score high on dogmatism are not prepared to question or revise their established views and assumptions in the light of new information, which they rather ignore or minimize (Davies 1993). In the marketing literature, dogmatism could be associated with the idea of a salesperson who has a narrowly defined view of reality likely to hinder him/her to see and recognize important events in the market place (Day and Nedungadi 1994).

Salespeople responsible for customers in various international markets are exposed to a variety of selling situations (Chaisrakeo and Speece 2004), and thus the ability to adapt to the
specific sales situation is of great relevance (Gu et al. 2016). Inspired by the definition of adaptive selling (Weitz et al. 1986), a salesperson’s predisposition to adapt business style is defined as follows: The altering of business style during a customer interaction or across customer interactions based on perceived information about the nature of the business situation. Because customers differ, there is no one right way to sell – that is the underlying view.

Communication is defined as the extent to which business partners openly share information, formal as well as informal (Labahn and Harich 1997; Morgan and Hunt 1994). Communication is one of the most important relationship-building strategies in foreign markets (Samaha et al. 2014). However, differences in culture, language, legal and economic systems, and business practices are likely to disturb the flow of information between the exporter and the importer (e.g. Johanson and Vahlne 1990), which makes it difficult to plan and implement strategies that will function in the market (Bello et al. 2003). Therefore, the ability to share information in a cross-cultural context is essential for ongoing business relationships because it facilitates better planning (Cavusoglu et al. 2012).

The importance of personality traits such as sensitivity and awareness to facilitate communication has been demonstrated in an exporting context (e.g. Nguyen and Nguyen 2014), and in non-equity international strategic alliances (e.g. Voss et al. 2006). Being sensitive to the business partner allows the exporter to understand the import buyer’s perspectives and way of conducting business, which facilitates communication (Labahn and Harich 1997; Nguyen and Nguyen 2014). Researchers indicate the potential mediation effect of the salesperson’s ability to adapt in the open-mindedness – communication relationship in an exporting context (Harich and Labahn 1998), although this mediated relationship has yet to be empirically tested. The literature on intercultural effectiveness shows that personality traits such as openness to new experiences prepare the person to adapt in a cross-cultural context (e.g. Pitts 2016), and that the ability to adapt is closely related with interpersonal communication with locals in the host
country (e.g. Kim and McKay-Semmler 2013). A person with an open mindset picks up on the essential signals more easily in the interactions with the foreign customer (Harich and LaBahn, 1998), which facilitates an appropriate response to the situation (Bird and Osland 2005). Similarly, the international human resource management literature demonstrates the importance of an open-minded attitude and adjustments in the work situation for an expatriate to perform on a high level in a new assignment (e.g. Selmer 2007). Lack of openness is likely to impair adjustment in cross-cultural encounters (Caligiuri 2000). Thus, a person who is not willing to consider the view of his/her counterpart in a cross-cultural context may not be able to perform effectively (Wang et al. 2013). In contrast, a person who is open-minded and positive to new experience is better prepared to adjust to a new work situation (Huang et al. 2005). Lack of awareness of the characteristics of the host market hinders appropriate adaptations, and thus communication with your business partners is likely to suffer (Fenwick et al. 2003). A person who is open to new information is more flexible and connects more easily with business partners in a cross-cultural context, which facilitates access to important information (Downes et al. 2010).

Other studies within the field of international human resource management suggest the potential role of the ability to adapt as a mediator between the expatriate’s personal traits and job performance in a cross-cultural context. For instance, Chen et al. (2010) show that the ability to adapt is an explanatory mechanism through which cross-cultural motivation promotes productive behaviours in the work place. Consistent with the ideas that work adjustment is an intervening variable between an individual’s traits and job performance and that it is one of the most proximal determinants of the overall expatriate performance in a cross-cultural setting (Bhaskar-Shrinivas et al. 2005), we propose that adaptive business style is likely to be a key mechanism through which open-mindedness influences two-way communication between partners in an exporting context. The hypothesis is as follows:
**H1:** Adaptive business style mediates the relationship between open-mindedness and communication.

### 2.2 The mediating effect of communication in the open-mindedness – trust relationship

Trust is defined as the partner’s confidence in an exchange partner’s reliability and integrity (Morgan and Hunt 1994). Trust is considered an important mechanism for coordinating inter-firm relationships, and it improves the chances of the relationship to sustain (e.g. Leonidou et al. 2014). The presence of trust is particularly important in business relationships in export marketing channels, where relationships must be developed and maintained across large geographical distances (Nevins and Money 2008).

The relationship between various individual traits and trust between partners has been investigated in different cross-cultural contexts. Evidence shows that being sensitive to the partner’s way of conducting business promotes trust in an exporter – importer business relationship (Styles et al. 2008). Similarly, research focusing on non-equity international cooperative alliances finds that understanding and familiarizing oneself with the partner’s business practices lead to trust between partners (Voss et al. 2006). The importance of an open mindset for trust to emerge has also been investigated by research focusing on group processes. Lauring and Selmer (2012) show that group members’ openness to diversity (i.e. linguistic and in values) has a positive effect on trust among the group members in multi-cultural organizations (Lauring and Selmer 2012).

Johnson et al. (2003) find that being sensitive to the partner’s business practices results in trust. The researchers argue that being sensitive to your foreign partner strengthens communication, and thus, sensitivity provides a foundation for trust to develop. Voss et al. (2006), who also focus on strategic alliances, similarly find that when a person recognizes the partner’s use of business practices that are different from his/her company’s practices, and
manages these practices with consideration, it facilitates sharing of important information and trust-building (Voss et al. 2006). However, the potential role of communication as one of the mechanisms through which being openness to new experiences and situations relates to trust has not been tested yet.

First of all, openness facilitates communication, which is a prerequisite for understanding what is going on in your foreign counterpart’s environment (Caligiuri 2000). Open-mindedness helps business partners communicate in such a way that mutual understanding can be achieved (Bird and Osland 2005). Unless one is motivated to learn and correct misperceptions, the locus of a problem cannot be discovered and improvements cannot take place (Nadkarni and Herrmann 2010). In an exporting context, being culturally sensitive to the partner’s way of conducting business promotes communication (e.g. Nguyen and Nguyen 2014). Acknowledging that business is carried out in a different way in the host market promotes a flow of information that is significant to the other part (Labahn and Harich 1997). Second, evidence shows that communication promotes trust building in an exporting context. Time, effort, and problem-solving involve exchange of information, which serves to bring business partners closer to each other (Anderson and Weitz 1992). Through communication the partners get knowledge about each other’s expectations, which helps build trust (Leonidou et al. 2014). Communication, which involves laying open each other’s expectations and goals, signals a willingness to rely on the other party, thus leading to a trusting relationship (Costa e Silva et al. 2012; Leonidou et al. 2014).

Consistent with the arguments above that openness towards new information facilitates communication and trust, and that communication is a prerequisite for trust-building in an export market (e.g. Leonidou et al. 2014), we propose that communication is one of the mediating mechanisms through which open-mindedness promotes trust. The hypothesis is as follows:
H2: Communication mediates the relationship between open-mindedness and trust.

2.3 The mediating effect of communication in the adaptive business style – trust relationship

According to hypotheses 1 and 2, the personality trait open-mindedness (1) enables business partners to establish better communication based on the mediating effect of adaptiveness, and (2) is likely to reinforce trust between partners due to better communication. Based on these assumptions, it is reasonable to expect communication to function as a mediator in the adaptive business style – trust relationship.

A few studies show that the willingness to adapt in an exporting context promotes closer relationships characterized by trust. Willingness to adapt to the partner’s way of doing business demonstrates that you are capable and competent and genuinely interested in the relationship, which helps develop strategic and personal relationships characterised by trust (Lohtia et al. 2009; Styles et al. 2008). Importers are more likely to trust exporters if the exporters accommodate their behaviour in an appropriate way, thus showing a concern for their partner (Lohtia et al. 2009). Voldnes and Grønhaug (2015) find that Norwegian exporters do not only have to adapt to the Russian way of doing business in order to build trust, but also have to adapt their business approach in order to improve the two-way communication. By carrying out efforts such as accommodating to the importer’s business practices, the exporter shows a genuine interest in the business relationship. Such relationships are likely to be characterized by exchange of important information and trust (Leonidou et al. 2002). Overall, studies suggest the potential role of communication as one of the mechanisms through which adaptive behaviour relates to trust.

The importance of adaptive behaviour for communication to take place has been addressed within the field of international human resource management. In order to minimize problems and enhance sharing of important information, the extent to which a business person
is prepared to adjust to a culturally different situation is of vital importance (e.g. Huang et al. 2005; Selmer 2007). By accommodating feelings and actions to the local rules, conflicts can be solved and productive interpersonal communication with the locals can be established (Huang et al. 2005). In an export context, efforts to match with the business style of the partner can lead to a significant reduction of communication barriers, and thus, improvement of communication (Labahn and Harich 1997; Nguyen and Nguyen 2014). Moreover, two-way communication reduces uncertainty and improves mutual understanding, which results in trust (e.g. Doney et al. 2007). Thus, consistent with the arguments above, we propose that communication is the mediating mechanism through which adaptive business style promotes trust. The hypothesis is as follows:

**H3:** Communication mediates the relationship between adaptive business style and trust.

2.4 The effect of similar/dissimilar cultures

Culture can be considered a force of the societal environment, which refers to “…the wider patterns of social relationships and of cultural definitions of social life in a society: language, social organisation, law, and politics” (Terpstra and David 1985, p. 3). Hofstede (2001) defines culture as “…the collective programming of the mind that distinguishes the members of one group or category of people from another” (2001, p. 9-10). In other words, culture is a shared set of values, beliefs, customs, rituals, and legal, political, and economic systems forming people’s mind, perceptions, and behaviours from early childhood (Adler 2002; Hofstede 2001). Cultural differences imply different norms, values, and attitudes that distort information exchanged between the business partners (Johanson and Vahlne 1990; Leonidou et al. 2002), which may cause development of suspicion rather than trust (Leonidou et al. 2014).

A few studies give support to the view that the greater the cultural difference between the exporter and the importer, the more difficult it is to preserve the relationship between
partners by means of communication and trust (Katsikeas et al. 2009; Leonidou et al. 2014; Nes et al. 2007). Communication can be inhibited because of differences in cultural elements such as language and language behaviour, non-verbal behaviour, values, and patterns of thought (Adler and Graham 1989; Adler 2002). Business partners from different cultures may have different views on the information shared, since they frequently misinterpret each other’s behaviour as a result of learned cultural differences in perceptions and assessments of social behaviours (Mendenhall and Oddou 1985; Voldnes et al. 2012).

Due to dissimilar cultures, the business partners have different communication styles, which creates challenges in understanding and interpreting the other party (Kale and McIntyre 1991; Nevins and Money 2008). When the salesperson and the customer belong to dissimilar cultures, they are influenced by heterogeneous cultural rules, which requires the ability to adopt different approaches to problem solving (Metcalf et al. 2006; Zhang et al. 2003). Hence, the presence of mechanisms that facilitate connection with business partners from a dissimilar culture is of critical importance, especially those that promote communication (Leonidou et al. 2006; Solberg 2008), because of its key role to promote trust (Leonidou et al. 2014; Styles et al. 2008). Below it is explained why competences such as open-mindedness and the ability to adapt business style are particularly important when the customer is located in the dissimilar culture group.

2.4.1 Open-mindedness, similar/dissimilar cultures, and communication

It is recognized that being open to and aware of differences in foreign countries facilitates interactions and communication that are essential to succeed with business (e.g. Felício et al. 2015; Labahn and Harich 1997; Peltokorpi 2008). An expatriate who enters a new assignment is faced with the challenge of making sense in an unfamiliar environment in order to connect with people (Selmer 2007). Expatriates who are open-minded are better prepared to interact
with locals in cultures that are very different from their own, and in that way acquire information that is important to function successfully (Gupta and Govindarajan 2002; Peltokorpi and Froese 2012). Negotiations, which are essential in business and involve intensive communication, can only be successful between partners from diverse cultures such as Japan and the US if they are aware of and recognize each other’s way of communication (Adair and Brett 2005). Business partners that are open to and try to understand differences in this kind of cultural context achieve a high level of communication (Voss et al. 2006). Similarly, in an exporting context, recognizing that frames of references differ between cultures is an important prerequisite to succeed with sharing of information, especially when the customers are members of the dissimilar culture group (Harich and Labahn 1998). Hence, we expect that open-mindedness of the salesperson has a positive effect on communication; that this competence of the salesperson attenuates the impact of cultural differences on communication between partners. The following hypothesis is proposed:

**H₄:** There is a stronger association between open-mindedness and communication when the business partners come from dissimilar than when they come from similar cultures.

### 2.4.2 Adaptive business style, similar/dissimilar cultures, and communication

A skill that is considered to be particularly valuable in dissimilar export markets is the ability to perform an adaptive business style (e.g. Gu et al. 2016). High performers are able to “alter their sales approaches based on the nature of the customer to whom they are selling” (Sujan et al. 1988, p. 9). These salespeople have developed a knowledge structure, and are thus able to change their behaviours to match the needs of the customer and the environment (Sujan et al. 1988). They can act like chameleons because they are familiar with a variety of possible selling approaches (Weitz et al. 1986). A salesperson who is prepared to perform a flexible approach towards culturally diverse customers, is also able to manage the communication
successfully (Bush et al. 2001). When the buyer is located in a dissimilar culture, the appointed salesperson needs to have a strong motivation to perform an adaptive business style to ensure that the specific needs of the buyer are taken care of (e.g. Gu et al. 2016; Harich and Labahn 1998), resulting in communication on a high level (Labahn and Harich 1997). Based on the arguments above, this study proposes that the ability to adapt business style plays a more significant role in promoting communication between partners in dissimilar than in similar cultures in order to bridge the cultural differences between partners. The following hypothesis is proposed:

**H5:** There is a stronger association between adaptive business style and communication when the business partners come from dissimilar than when they come from similar cultures.

### 2.4.3 Communication, similar/dissimilar cultures, and trust

Evidence shows that exporters and importers who share a similar culture in terms of language, business practices, and cultural environment are better prepared to develop trustworthy business relationships (Bianchi and Saleh 2010) because their cultures provide similar rules for how to interpret the content of the information (Kale and McIntyre 1991). In contrast, big cultural differences are an obstacle to developing trust in an export marketing context (Leonidou et al. 2014; Nes et al. 2007), and these cultural differences may interact with communication. Business partners from dissimilar cultures are faced with problems of interpretation of behaviours, misunderstandings, and potential opportunism, which eventually will harm the relationship (Kaufmann and O’Neill 2007). Non-verbal culture-specific elements (Adler and Graham 1989; Adler 2002) associated with the business relationships crossing dissimilar cultures can interact with communication between partners, which complicates trust-building (Leonidou et al. 2002). In contrast, developing trust based on communication between partners from similar cultures is less complicated because they have a similar understanding.
and common ground which reduces uncertainty and risk of opportunistic behavior (Saleh et al. 2014). The following hypothesis is proposed:

**H6:** There is a stronger association between communication and trust when the business partners come from similar than when they come from dissimilar cultures.

2.5 Control variables

This study controlled for the influence of four continuous variables, which may covariate with the dependent variables as follows: export experience, length of relationship, frequency of deliveries, and firm size. Export experience refers to the numbers of years in terms of the salesperson’s experience in export markets, and is considered essential to succeed with building relationships in a cross-cultural context (Johanson and Vahlne 1977). Length of relationship is reflected in the number of years the exporter and the importer have been doing business with each other (Chetty et al. 2006). Over time, it is expected that the exporter and the importer get to know each other, which enhances communication and trust due to learning effects (Katsikeas et al. 2009). Frequency of delivery refers to the number of product deliveries to the customer the previous year (Noordewier et al. 1990). The frequency of deliveries is associated with communication and trust, in an exporting context (Leonidou et al. 2002). Firm size refers to the resources available to the firm, such as financial, human, and administrative resources, that can be used to support relationship building such as communication and trust (Leonidou et al. 2002).

Figure 1 presents the conceptual model.
3. Method

3.1 Population and research design

The Norwegian seafood export industry provides the empirical setting. The unit of analysis is the salesperson and the ongoing business relationship with the selected customer in an export market. The perspective of the selling side has been taken into account to assess individual characteristics and dyadic business relationships. The Norwegian Seafood Export Council provided the list of the whole population of seafood exporters. Every company was contacted by telephone, and 271 were identified as active exporters. All of them were asked to participate in the study, and 224 accepted to respond. It was clarified both by phone and by instructions given in the questionnaire that the person responsible for a specific business relationship was the one who should report. This person was considered the key informant because of her/his key point of contact with the buyer in the importing company (Styles et al. 2008).
The respondent was asked to select a business relationship with duration of two years or more. Two years is the minimum recommended by researchers when ongoing business relationships are under investigation (O'Grady and Lane 1996). Developing business relationships across national borders takes time (Styles et al. 2008). It is important to ensure some variation in the responses (Skarmeas et al. 2002). The instructions applied in this study are inspired by the instructions in the study of Skarmeas et al. (2002): If the respondent serves three or less customers in export markets with a duration of two years or more, the respondent should select the customer who bought the largest volume seafood products the previous year. If the respondent serves four or five customers with a duration of two years or more, the respondent should select the customer who bought the second largest volume the previous year. If the respondent serves more than five customers with a duration of two years or more, the respondent should select the customer who bought the third largest volume the previous year.

A questionnaire, in addition to a cover letter and a pre-paid envelope, was sent to each of the respondents. The participants were ensured anonymity. In total, 112 responded to the questionnaire. 78 responded after the first wave of questionnaires, 23 responded after the second, and 11 responded after the third wave. One questionnaire was excluded due to missing data on several key variables, and three questionnaires were excluded because the business relationship had been running for one year or less. 108 questionnaires were included in the analysis, which makes up a response rate of 39.9%. A test of non-response bias, a t-test of mean differences across the early and late response groups, showed that there are no significant differences for number of employees, turnover, export sales experience, and key variables included in the conceptual model at the significance level 0.05 (Armstrong and Overton, 1977). 53.7% of the respondents reported they were the general manager/director, 31.5% reported they were the sales manager/marketing director, and 13% reported they were a sales representative. 1.9% did not report their position. On average, the respondents had 12.6 years of export
experience. The average size of the exporting companies was 20.9 employees, which means that the sample mainly consists of small companies. The list of importers included in this study consists of 63% wholesalers and 37% retailers, processing companies, and others.

3.2 Measurement scales

Multi-item scales and a five-point response format were used to operationalize the main constructs (see table 1). These scales are anchored by very poor description and very good description. Two studies have been used as the sources of three items to capture open-mindedness: Sinkula et al. (1997) and Harich and Labahn (1998). Ability to adapt business style was measured by five items adapted from a study by Robinson et al. (2002). Two studies have been used as the sources of five items to capture communication: Heide and John (1992) and Labahn and Harich (1997). Two studies have been used as the sources of five items to capture trust: Aulakh et al. (1996) and Ganesan (1994). The items included in the questionnaire were translated into Norwegian and then back-translated into English. The questionnaire was pre-tested by four persons responsible for sales of seafood products in export markets to identify any possible problems (Chang et al. 2010). Some changes regarding formulations were carried out as a result of feedbacks.

Table 1. Constructs, scales of measurement, and descriptive statistics (n = 108)

<table>
<thead>
<tr>
<th>Label</th>
<th>Constructs and indicators</th>
<th>n</th>
<th>Mean</th>
<th>SD</th>
<th>SKEW</th>
<th>KURT</th>
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<tr>
<td>Opm1</td>
<td>I willingly reflect critically upon assumptions that I have about my customers.</td>
<td>107</td>
<td>3.48</td>
<td>.73</td>
<td>-.72</td>
<td>.49</td>
</tr>
<tr>
<td>Opm2</td>
<td>I constantly try to question my own interpretations of the market.</td>
<td>107</td>
<td>3.65</td>
<td>.76</td>
<td>-.34</td>
<td>.58</td>
</tr>
<tr>
<td>Opm3</td>
<td>I often question the foundation (information sources and fixed assumptions) of my interpretation of the customer.</td>
<td>107</td>
<td>3.47</td>
<td>.71</td>
<td>-.19</td>
<td>.64</td>
</tr>
<tr>
<td></td>
<td>Adaptive business style (ADA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ada1</td>
<td>I can easily change to another negotiation style, if I perceive that the style I am using does not work.</td>
<td>108</td>
<td>3.57</td>
<td>.76</td>
<td>-.51</td>
<td>.56</td>
</tr>
<tr>
<td>Ada2</td>
<td>I like testing out different ways of approaching new customers.</td>
<td>107</td>
<td>3.16</td>
<td>.84</td>
<td>-.12</td>
<td>-.30</td>
</tr>
<tr>
<td>Ada3</td>
<td>I am very flexible with regard to which negotiation style I apply.</td>
<td>108</td>
<td>3.35</td>
<td>.83</td>
<td>-.25</td>
<td>-.30</td>
</tr>
<tr>
<td>Ada4</td>
<td>I can apply a wide range of different ways of negotiating.</td>
<td>107</td>
<td>3.21</td>
<td>.86</td>
<td>-.25</td>
<td>-.46</td>
</tr>
<tr>
<td>Ada5</td>
<td>I try to understand how one customer differs from another.</td>
<td>108</td>
<td>3.98</td>
<td>.59</td>
<td>-.26</td>
<td>.80</td>
</tr>
</tbody>
</table>

Communication (COM)

| Inf1 | Exchange of information between this customer and me takes place frequently and informally. | 108 | 3.94 | .73 | -.34 | -.03 |
| Inf2 | This business relationship is characterised by two-way communication. | 108 | 4.00 | .65 | -.20 | .01 |
| Inf3 | In this business relationship, information that is of any use to the other part is given. | 108 | 3.80 | .83 | -.50 | -.09 |
| Inf4 | In this business relationship, we communicate our expectations to each other. | 108 | 3.77 | .72 | -.54 | .44 |
| Inf5 | In this business relationship, each of us informs the other part about events or changes that are of significance to the other part. | 108 | 3.88 | .77 | -.54 | .26 |

Trust (TRU)

| Tru1 | This buyer and I can generally rely on each other to carry out promises that are made. | 108 | 4.23 | .59 | -.10 | -.41 |
| Tru2 | The negotiations between this customer and me are not characterized by openness. (Reversed coded) | 108 | 4.17 | .74 | -.69 | .42 |
| Tru3 | This buyer and I are generally sceptical to the exchange of information between us. (Reversed coded) | 108 | 4.27 | .72 | -1.2 | 3.36 |
| Tru4 | The buyer and I are open about problems that emerge, such as delayed deliveries, price changes, and so on. | 108 | 4.14 | .74 | -1.4 | 4.92 |
| Tru5 | Overall, trust between this buyer and me is characterized by a high degree of trust. | 108 | 4.20 | .60 | -1.1 | 6.19 |

Covariates

| Exp | Export experience | 106 | 12.59 | 7.37 | .38 | -.53 |
| Size | Firm size | 106 | 20.88 | 39.16 | 3.57 | 13.76 |
| Length | Length of relationship | 108 | 7.33 | 5.72 | 1.57 | 2.10 |
| Freq | Frequency of delivery | 105 | 47.25 | 68.94 | 4.01 | 22.10 |

Notes: SD = standard deviation; SKEW = skewness; KURT = kurtosis.
Inspired by Ha et al. (2004), a distinction has been made between similar and dissimilar *culture groups*. The dissimilar culture group includes those countries that are viewed as culturally different from the home country (Ha et al. 2004). The classification of the countries has been guided by the country clustering worked out by Ronen and Shenkar (1985), and the classification of cultural blocks described by Lindbergh (2005). Norway is the country where the exporters are located. The countries located in the following cultural blocks are included in the category defined as culturally similar to Norway: Nordic (excluding Norway), Germanic (including Holland), and Anglo-Saxon. The countries located in the following cultural blocks are included in the category defined as culturally dissimilar to Norway: Eastern European, Latin-European, Independents (Brazil, Japan, Israel and Russia), Latin American, Far Eastern, Arab, Near Eastern, and African. In order to be able to test the differences between the similar and dissimilar cultural groups, we created a dummy variable. The similar culture group is defined as 0, including 50 cases, and the dissimilar culture group is defined as 1, including 58 cases. The classification of the two cultural groups is reported in table 2.

Table 2. Cultural clusters of the business partners

<table>
<thead>
<tr>
<th>Number of business partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Similar culture group:</strong></td>
</tr>
<tr>
<td>Nordic (excl. Norway)</td>
</tr>
<tr>
<td>Germanic (incl. Holland)</td>
</tr>
<tr>
<td>Anglo-Saxon (incl. South Africa)</td>
</tr>
<tr>
<td><strong>Dissimilar culture group:</strong></td>
</tr>
<tr>
<td>Eastern European</td>
</tr>
<tr>
<td>Latin European</td>
</tr>
<tr>
<td>Independent (Brazil, Japan, Israel, Russia)</td>
</tr>
<tr>
<td>Far East (Thailand, Philippines)*</td>
</tr>
<tr>
<td>Arabic (Jordan)*</td>
</tr>
<tr>
<td>Middle East (Greece)*</td>
</tr>
<tr>
<td>Africa (Morocco, Nigeria)*</td>
</tr>
</tbody>
</table>

* Countries included in this study from the respective cultural cluster.
3.3. Descriptive statistics and data pre-processing

A detailed description of the mean, standard deviation, skewness, and kurtosis of each variable can be seen in table 1. Most of the items have univariate skewness and kurtosis in the range -1.0 to + 1.0, meaning that very limited distortion of the maximum likelihood (ML) and of the generalized least square (GLS) estimator is to be expected (Muthén and Kaplan 1985). The exceptions include the items Tru3, Tru4, and Tru5 with kurtoses in the interval [3-7], as well as some of the covariates (firm size, length of the relationships, and frequency of delivery) whose skewnesses and kurtoses revealed a severe non-normal distribution. The multivariate normality tests also indicated a large multivariate kurtosis, implying that the sample has multivariate non-normal distribution. We deleted two of the most extreme outliers based on the Mahalanobis distance, which resulted in a significant drop in the multivariate kurtosis index from 46.73 to 19.48. This operation significantly reduced the kurtoses for Tru3, Tru4, and Tru5 to .31, 3.86, and -.15, respectively. In addition, we transformed the covariates by applying the log function, and we replaced the missing values (less than .05%) with sample averages.

3.4 Measurement validation

We applied the covariance-based structural equation modeling using AMOS 23.0.0 version (Arbuckle 2014) with ML estimator. A series of confirmatory univariate and multivariate factor analysis (CFA) models were run to confirm the factor structure and to assess the psychometric properties of the scales. The analysis showed that all the items significantly predicted the intended latent factors with some loadings scoring lower than the standard of .70 (Hair et al. 1996). We assessed the convergent validity of the factors by evaluating the composite reliability (CR), the average variance extracted (AVE), and the internal reliability index (Cronbach α) (table 4). The CR values were all over .70, reflecting that the items shared enough common variance to be indicators of a single factor (Mueller and Hancock 2008). The
AVE values were close to the cut-off level of .50 (Hair et al. 1996) except for trust which scored only .35. The CFA analysis revealed a better model fit (model 6 versus model 5 in table 3) when we removed the items Tru2 and Tru3 from this factor. This procedure also increased the AVE factor value to .47. In the same line, Inf2 was removed from the communication, improving the construct validity and the model fit significantly (model 3 versus model 4 in table 3). Finally, we checked that all Cronbach α values were high and above the cut-off level of .60 (Hair et al. 1996), evidence of scales reliability.

Table 3. Model fit indexes

<table>
<thead>
<tr>
<th>Models</th>
<th>$\chi^2$</th>
<th>df</th>
<th>$p$-value</th>
<th>RMSEA</th>
<th>SRMR</th>
<th>CFI</th>
<th>$\Delta\chi^2$ ($\Delta df$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construct validity tests: CFA univariate models</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.OPM$^1$</td>
<td>-</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2.ADA</td>
<td>4.76</td>
<td>5</td>
<td>.445</td>
<td>.00</td>
<td>.03</td>
<td>.99</td>
<td></td>
</tr>
<tr>
<td>3.COM</td>
<td>22.14</td>
<td>5</td>
<td>.000</td>
<td>.18</td>
<td>.04</td>
<td>.90</td>
<td></td>
</tr>
<tr>
<td>4.COM (Inf 2 deleted)</td>
<td>2.36</td>
<td>2</td>
<td>.307</td>
<td>.04</td>
<td>.02</td>
<td>.99</td>
<td></td>
</tr>
<tr>
<td>5.TRU</td>
<td>22.98</td>
<td>5</td>
<td>.000</td>
<td>.18</td>
<td>.08</td>
<td>.87</td>
<td></td>
</tr>
<tr>
<td>6.TRU$^1$ (Tru2, Tru3 deleted)</td>
<td>-</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Discriminant validity tests</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.Measurement model (CFA)</td>
<td>110.66</td>
<td>84</td>
<td>.027</td>
<td>.05</td>
<td>.08</td>
<td>.95</td>
<td></td>
</tr>
<tr>
<td><strong>Measurement invariance tests$^2$</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.Configural invariance (baseline model)</td>
<td>213.38</td>
<td>170</td>
<td>.013</td>
<td>.05</td>
<td>.10</td>
<td>.92</td>
<td></td>
</tr>
<tr>
<td>9.Metric invariance (all loadings set equal)</td>
<td>236.15</td>
<td>181</td>
<td>.004</td>
<td>.05</td>
<td>.10</td>
<td>.90</td>
<td>22.77 (11)</td>
</tr>
<tr>
<td><strong>Path analyses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Path analysis</td>
<td>9.64</td>
<td>6</td>
<td>.140</td>
<td>.07</td>
<td>.04</td>
<td>.98</td>
<td></td>
</tr>
<tr>
<td>11. Multi-group path analysis$^2$ (no constraints)</td>
<td>7.98</td>
<td>4</td>
<td>.052</td>
<td>.09</td>
<td>.05</td>
<td>.98</td>
<td></td>
</tr>
<tr>
<td>12. Multi-group path analysis (all paths set equal)</td>
<td>13.73</td>
<td>8</td>
<td>.089</td>
<td>.08</td>
<td>.15</td>
<td>.96</td>
<td>5.75 (4)</td>
</tr>
<tr>
<td>13. Multi-group path analysis (path OPM-COM set equal)</td>
<td>8.17</td>
<td>5</td>
<td>.147</td>
<td>.07</td>
<td>.06</td>
<td>.98</td>
<td>.19 (1)</td>
</tr>
<tr>
<td>14. Multi-group path analysis (path ADA-COM set equal)</td>
<td>11.76</td>
<td>5</td>
<td>.038</td>
<td>.11</td>
<td>.11</td>
<td>.96</td>
<td>3.78 (1)</td>
</tr>
<tr>
<td>15. Multi-group path analysis (path COM-TRU set equal)</td>
<td>8.14</td>
<td>5</td>
<td>.148</td>
<td>.07</td>
<td>.05</td>
<td>.98</td>
<td>.16 (1)</td>
</tr>
</tbody>
</table>
**Notes:** 1 A model fit test is not available because of the three-item structure implying zero degree of freedom. 2 Covariates were not included in the multi-group path analysis models because of the limited size of the sample per group.

Table 4. Measurement properties (Model 7, Table 3)

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Std. Estimate</th>
<th>t-value</th>
<th>CR</th>
<th>AVE</th>
<th>Cronbach α</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPM</td>
<td>Opm1</td>
<td>.347***</td>
<td>3.00</td>
<td>.70</td>
<td>.47</td>
<td>.64</td>
</tr>
<tr>
<td></td>
<td>Opm2</td>
<td>.667***</td>
<td>4.33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Opm3</td>
<td>.980***</td>
<td></td>
<td></td>
<td></td>
<td>(fixed)</td>
</tr>
<tr>
<td>ADA</td>
<td>Ada1</td>
<td>.663***</td>
<td>4.02</td>
<td>.82</td>
<td>.49</td>
<td>.82</td>
</tr>
<tr>
<td></td>
<td>Ada2</td>
<td>.728***</td>
<td>4.17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ada3</td>
<td>.847***</td>
<td>4.35</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ada4</td>
<td>.762***</td>
<td>4.23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ada5</td>
<td>.439***</td>
<td>4.02</td>
<td></td>
<td></td>
<td>(fixed)</td>
</tr>
<tr>
<td>COM</td>
<td>Inf1</td>
<td>.619***</td>
<td>5.51</td>
<td>.77</td>
<td>.47</td>
<td>.77</td>
</tr>
<tr>
<td></td>
<td>Inf2</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inf3</td>
<td>.699***</td>
<td>6.11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inf4</td>
<td>.676***</td>
<td>5.95</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inf5</td>
<td>.719***</td>
<td>5.82</td>
<td></td>
<td></td>
<td>(fixed)</td>
</tr>
<tr>
<td>TRU</td>
<td>Tru1</td>
<td>.733***</td>
<td>6.76</td>
<td>.76</td>
<td>.52</td>
<td>.75</td>
</tr>
<tr>
<td></td>
<td>Tru2</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tru3</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tru4</td>
<td>.618***</td>
<td>5.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tru5</td>
<td>.809***</td>
<td>5.82</td>
<td></td>
<td></td>
<td>(fixed)</td>
</tr>
</tbody>
</table>

**Notes:** 4 Item deleted in the scale validation process in order to increase the construct validity.

*** p-value ≤ .01.
Discriminant validity was assessed using the criterion of Fornell and Larcker (1981) (table 5). All the square roots of the AVE values were greater than the bivariate correlations with other constructs except for the correlation between communication and trust (.76). To establish the distinctiveness between the two constructs, we tested a more robust approach to discriminant validity called the Heterotrait and Monotrait ratio (HTMT) (Henseler et al. 2015). The results emphasized that all HTMT values were below .90 as required for the conceptual distinction of the constructs.

Table 5. Mean, standard deviations, correlations, and discriminant validity test based on Fornell-Larcker criterion

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>OPM</th>
<th>ADA</th>
<th>COM</th>
<th>TRU</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPM</td>
<td>3.55</td>
<td>.54</td>
<td>.68*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADA</td>
<td>3.46</td>
<td>.59</td>
<td>.38**</td>
<td>.70*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COM</td>
<td>3.83</td>
<td>.58</td>
<td>.04</td>
<td>.20*</td>
<td>.68*</td>
<td></td>
</tr>
<tr>
<td>TRU</td>
<td>4.18</td>
<td>.52</td>
<td>-.02</td>
<td>.13</td>
<td>.76***</td>
<td>.72*</td>
</tr>
</tbody>
</table>

Notes: *Numbers denote the square root of AVEs.
***p-value ≤ .001; **p-value ≤ .01; *p-value ≤ .05.

Because all data was self-reported and collected through a single questionnaire, we tested for the presence of the common method effect. We used the one-factor test described by Podsakoff and Organ (1986)\(^1\), according to which a substantial amount of common method variance is present when a single factor emerges from the exploratory factor analysis, or one general factor accounts for the majority of the covariance among the variables. All items were entered into an exploratory factor analysis in the SPSS software package (version 24.0) to determine the number of factors that are necessary to account for the variance in the variables. The unrotated principal component analysis and subsequent varimax rotation produced three distinct factors with Eigenvalues greater than 1.00. The largest factor accounted for 26% of the total variance. In addition, we evaluated the factor-level VIFs resulting from a full collinearity
test (Kock 2015), and the results showed that all VIFs were below the maximum acceptable of 3.30 (the highest VIF was 2.23). Overall, the two tests confirmed that the presence of the systematic measurement error is not of concern.

4. Model results

4.1 Path analysis

The model described in Figure 1 was run using composite scores estimated from the original multi-item scales (Diamantopoulos et al. 2012). Table 6 shows a statistically significant ($p$-value $\leq .001$) association between open-mindedness and adaptive business style, a statistically non-significant ($p$-value $= .861$) effect between open-mindedness and communication, a statistically significant effect between adaptive business style and communication ($p$-value $\leq .05$), and a statistically significant effect between communication and trust ($p$-value $\leq .001$). These results provide evidence on the mediating effects hypothesized in H$_1$ and H$_3$ and insufficient evidence for the mediating effect hypothesized in H$_2$. These patterns were found after controlling for the export experience, the length of relationship, the frequency of deliveries, and the firm size as possible confounders. The length of the relationship had a significant positive influence ($p$-value $\leq .05$) on communication and trust, but the remaining covariates did not influence the analyzed constructs significantly. The path model indicated a very good fit, with a non-significant chi-square ($p$-value $> .05$), a comparative fit index (CFI) $> .95$, and root mean square error of approximation (RMSEA) $< .08$ (Byrne 2001) (see table 3, model 10). The Cohen’s $f^2$ local effect sizes for open-mindedness, adaptive business style, and communication within the path model are shown in table 6. According to the guidelines by (Cohen 1988), $f^2 \geq .02$, $f^2 \geq .15$, and $f^2 \geq .35$ represent small, medium, and large effect sizes, respectively. We conclude that adaptive business style significantly mediates the relationship between open-mindedness and communication and that communication
significantly mediates the relationships between adaptive business style and trust. We discuss these results later.

Table 6. Standardized regression coefficients in the path analysis (Model 10, Table 3)

<table>
<thead>
<tr>
<th>Paths</th>
<th>Std. Estimate</th>
<th>SE</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPM → ADA</td>
<td>.41</td>
<td>.031</td>
<td>.000</td>
</tr>
<tr>
<td>OPM → COM</td>
<td>.02</td>
<td>.075</td>
<td>.861</td>
</tr>
<tr>
<td>ADA → COM</td>
<td>.20</td>
<td>.209</td>
<td>.050</td>
</tr>
<tr>
<td>COM → TRU</td>
<td>.85</td>
<td>.036</td>
<td>.000</td>
</tr>
</tbody>
</table>

**Covariates**
- Export experience → COM: -.17, .070, .100
- Firm size → COM: .06, .037, .544
- Length of relationship → COM: .27, .077, .013
- Frequency of delivery → COM: .17, .040, .077

**Export experience → TRU**
- .03, .027, .590

**Firm size → TRU**
- .02, .014, .744

**Length of relationship → TRU**
- .11, .029, .037

**Frequency of delivery → TRU**
- .00, .015, .988

Notes: $R^2_{ADA} = .17$; $R^2_{COM} = .12$; $R^2_{TRU} = .77$. $f^2_{OPM \rightarrow ADA} = .20$, $f^2_{ADA \rightarrow COM} = .03$, $f^2_{COM \rightarrow TRU} = 2.86$, where $f^2 = \frac{(R^2_{AB} - R^2_A)}{(1 - R^2_A)}$; $B$ is the variable of interest and $A$ is the set of all other variables, including the covariates.

4.2 The moderating effects of culture: Multi-group analysis

To test the hypotheses H4, H5, and H6 on the moderating effects of culture on the hypothesized paths, we simultaneously run the model for two groups: similar vs. dissimilar culture group. The tests for the invariance factor structure across the groups were performed before the actual multi-group path analysis to ensure path comparability. The results revealed a good fit for the configural invariance model (table 3, model 8), which allows us to assume that the same factor structure is appropriate in either sample. Next, the metric invariance was tested by constraining the factor loading of each item on its corresponding construct to be equal for both groups (table 3, model 9). The fullmetric constrained model was further compared with the configural invariance model, examining the effects of adding the constraint on the model.
fit. The results show a significant increase in chi-square from 213.38 to 236.15 ($\Delta \chi^2 = 22.77$ with $\Delta df = 11$ and $p-value = .02$) (table 3), providing evidence that some loadings of the underlying items differ between the two groups. Therefore, we ran a series of partial invariance tests, in which one specific loading was increasingly constrained to be equivalent across the groups, and other remaining loadings were set to be variable. The partial invariance models were compared with the unconstrained model to test the equivalence of the respective loadings. We found that three of the fifteen loadings were invariant (for Opm2, Inf3, and Tru4). In sum, we obtained evidence supporting configural invariance and partial metric invariance. A full metric invariance model would have been desirable; however, such a strict invariance model is often regarded as being impossible and scientifically unrealistic (Steenkamp and Baumgartner 1998). Next, the path analysis model was run for each group using single-item scales estimated as composite measures of the original multi-item scales. Table 7 shows the results.

Table 7. Standardized regression coefficients in the path analysis by group

<table>
<thead>
<tr>
<th>Paths</th>
<th>Std. Estimate</th>
<th>SE</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Similar group, n = 50</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPM → ADA</td>
<td>.49</td>
<td>.036</td>
<td>.000</td>
</tr>
<tr>
<td>OPM → COM</td>
<td>-.06</td>
<td>.102</td>
<td>.721</td>
</tr>
<tr>
<td>ADA → COM</td>
<td>-.00</td>
<td>.349</td>
<td>.990</td>
</tr>
<tr>
<td>COM → TRU</td>
<td>.86</td>
<td>.055</td>
<td>.000</td>
</tr>
<tr>
<td><strong>Dissimilar group, n = 56</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPM → ADA</td>
<td>.34</td>
<td>.054</td>
<td>.008</td>
</tr>
<tr>
<td>OPM → COM</td>
<td>.03</td>
<td>.108</td>
<td>.795</td>
</tr>
<tr>
<td>ADA → COM</td>
<td>.39</td>
<td>.255</td>
<td>.000</td>
</tr>
<tr>
<td>COM → TRU</td>
<td>.48</td>
<td>.048</td>
<td>.000</td>
</tr>
</tbody>
</table>

**Notes:** Similar group: $R^2_{ADA} = .24$; $R^2_{COM} = .00$; $R^2_{TRU} = .75$. $f^2_{OPM on ADA} = .31$, $f^2_{ADA on COM} = .00$, $f^2_{COM on TRU} = 2.99$. Dissimilar group: $R^2_{ADA} = .11$; $R^2_{COM} = .19$; $R^2_{TRU} = .77$. $f^2_{OPM on ADA} = .13$, $f^2_{ADA on COM} = .24$, $f^2_{COM on TRU} = 3.34$. 
We found a statistically non-significant ($p$-value $> .05$) association between open-mindedness – communication for both groups, a highly significant and positive relationship between adaptive business style – communication for the dissimilar culture group ($p$-value $\leq .001$), and a highly significant and positive relationship between communication and trust for both groups ($p$-value $\leq .001$). To formally test the differences between the groups, a multi-group path analysis was conducted. An unconstrained path model was estimated, in which all the path estimates were allowed free across the groups. The model yielded an acceptable fit (table 3, model 11). Next, we compared this model with a fully constrained model in which all the paths were set to be invariant (table 3, model 12). The difference in the chi-square statistic was not significant ($\Delta \chi^2 = 5.75$ with $\Delta df = 4$, $p$-value $> .05$). However, when the individual relationships were set to be invariant (one-by-one), a significant difference in the chi-square was found for the key relationship adaptive business style – communication ($\Delta \chi^2 = 3.78$ with $\Delta df = 1$, $p$-value $\leq .05$) (table 3, model 11 (no constraints) versus model 14 (ADA-COM set equal)). This result supported $H_5$ according to which there is a stronger association between adaptive business style and communication when the business partners come from dissimilar than when they come from similar cultures. The moderating effect of culture on the relationships open-mindedness – communication ($H_4$) and communication – trust ($H_6$) was not supported as revealed in the non-significant increase of the chi-square from model 11 (no constraints) to model 13 (OPM-COM set equal) and model 15 (COM-TRU set equal).

5. Discussions

This research contributes to the relational paradigm and export marketing literature by testing out a model that integrates key constructs from the relational paradigm (communication and trust) with constructs rooted in different streams of research: open-mindedness (international human resource management, intercultural effectiveness), the ability to adapt
business style (adaptive selling), and similar/dissimilar cultures (internationalization process approach). This is the first study which shows that relational competences such as open-mindedness and adaptive business style promote communication, and consequently trust, in export markets. In addition, it shows that communication mediates the effects of relational competences on trust.

In accordance with previous research within relationship marketing, the results show that communication has a significantly strong effect on trust for all business relationships, irrespective of cultural differences. This finding confirms that information sharing of any use to the other part is essential in the trust-building process in an export context (e.g. Kuhlmeier and Knight 2010; Leonidou et al. 2014). Trust, which indicates a long-term perspective of the relationship, requires sharing of information such as expectations, goals, the needs of the customer, and market conditions in order to develop (e.g. Costa e Silva et al. 2012; Leonidou et al. 2014). The key role of communication in exporting contexts brings attention to the necessity of identifying factors that promote communication to build stable and trustworthy business relationships across cultural distances. One purpose of this study was to identify salesperson competences that promote two-way communication, which consequently results in trust in an exporting context.

The study shows that the salesperson’s open-mindedness has a positive indirect effect through adaptive business style on communication between the salesperson and the import buyer. This finding points out that salespeople who are receptive to new information and situations, and recognize the specificities of the individual customer, are prepared to adapt their business and negotiation style, which promotes sharing of information. Although it is recognized that the ability to perform an adaptive business style is important, it is necessary that the salesperson is able to identify those situations where it is appropriate to adapt (Schultz et al. 1999). This implies assessing customers’ verbal and non-verbal cues, which prepares the
salesperson to adapt his/her business and negotiation style in an appropriate way, depending on the situation. The full mediating effect of the ability to adapt in the open-mindedness – communication relationship demonstrates that adaptive business style is the mechanism that ensures the positive effect of open-mindedness on successful communication in a cross-cultural context. While an open-minded attitude is stable over time (Downes et al. 2010; Johnson et al. 2006; Leiba-O'sullivan 1999), behaviour is not (Selmer 2007; Stock and Hoyer 2005). The salesperson may engage in adaptive behaviour, but may not be committed to adapting in situations where it is required (Stock and Hoyer 2005). A salesperson’s receptiveness towards the customer’s specificities ensures adaptive behaviours that match the situation (Kidwell et al. 2007). Consequently, a salesperson who reflects upon his/her assumptions about the customer and the market, is better prepared to adjust the approach and business style accordingly (Harich and Labahn 1998; Voldnes et al. 2012).

Other studies have found similar results demonstrating the importance of a business person’s mindset in order to cultivate relations in foreign countries. Peltokorpi (2008) reveals that personality traits such as ability to recognize other people’s interests and behaviours prepares the expatriates to adjust in their interactions with people in foreign countries. Similarly, Felício et al. (2015) find that individuals who have a flexible mindset and are open to new ideas and cultures are better prepared to interact with their network partners in foreign markets, which is essential to acquire information important to the business venture. Moreover, negotiations are a key activity in business, and being open-minded is an advantage for a negotiator. An open-minded person will recognize and be aware of the various negotiation tactics used by customers, and he/she will know how to respond in the appropriate way that is essential to achieve valuable information sharing (e.g. Alon and Brett 2007; Bird and Osland 2005).
Length of relationship is the only covariate that has a significant relationship with communication and trust. The longer the business relationship, the better the communication and the more trustworthy the relationship. This finding gives support to research focusing on alliances, which shows that over time, business partners do become familiar with each other, resulting in trust between the partners (Gulati 1995). The necessity of solving the critical incidents likely to occur on the way facilitates a greater mutual understanding. It is through experience that the salesperson and the buyer learn whether they can trust the other and predict future behaviour (e.g. Styles et al. 2008).

5.1 The moderating effects of similar/dissimilar cultures

Because communication between business partners from very different cultures is frequently distorted, thus increasing uncertainty further (Leonidou et al. 2014), it is particularly important that the salesperson responsible for dissimilar markets has the competences that help transcend potential obstacles to an open communication with the business partner. Our findings reveal that adaptive business style plays an essential role in promoting communication in dissimilar cultures, while it is not that important in similar cultures. The ability to adapt in an appropriate way in dissimilar cultures reduces uncertainty and improves social interactions with the business partners (Mendenhall and Oddou 1985; Peltokorpi 2008). A salesperson who has acquired a repertoire of business approaches and negotiation skills is, for instance, better prepared to deal with culturally different forms of power exercise that in negotiations may hinder disclosure of information when exercised by a Japanese (Brett and Okumura 1998) or a Russian business partner (Voldnes et al. 2012). The salesperson knows how to adapt accordingly in order to facilitate disclosure of important information. One may also expect that an import buyer from a dissimilar culture would be more confident sharing information with a salesperson who accommodates the business and negotiation style.
In similar cultures, demonstrating a flexible approach towards the customer does not significantly contribute to better communication between the business partners. This result could be explained by the fact that it is easier to co-align operation methods and decisions (i.e. ordering, execution of the deliveries) between partners when they share similar values, business practices, and approaches to how problems are solved (Bianchi and Saleh 2010). As for the general model, multigroup analysis shows that open-mindedness does not have a significant direct effect on communication, after controlling for adaptive-business style. The relationship between communication and trust is strong and significant for both similar and dissimilar culture groups, and there is no significant moderating effect of culture. This finding gives support to previous research showing that communication is an equally effective mechanism to develop trust in both similar and dissimilar cultures (Anderson and Weitz 1989; Zhang et al. 2003). Communication and trust are important mechanisms that help deal with many of the challenges that different cultures present and are therefore important governance tools in any culture (Zhang et al. 2003).

5.2 Managerial implications

To conduct business in export markets, the salesperson needs access to information. Therefore, the exporting company needs salespeople with exceptional proficiencies when it comes to developing a high level of two-way communication with customers because it is essential to build trust (e.g. Leonidou et al. 2014). Because of cultural differences, communication with the business partner is put to the test and can be considerably distorted, resulting in distrust and poor business. Our results suggest that managers have to make careful selections when they recruit salespeople to manage customers in export markets, especially in the dissimilar cultures. Although qualifications such as product and marketing related skills are important, they may not be sufficient to ensure two-way communication on a high level. If a
salesperson fails to reflect critically upon assumptions about the customers and thus draws the wrong conclusions, the salesperson is at risk of adopting the wrong approach in his/her dealings with the customer, which eventually will harm their relationship. Open-minded people have the advantage that they are capable of performing a variety of negotiation styles and business approaches, depending on the customer and the situation. In addition, competences such as open-mindedness and adaptive business style limit the risk of being taken advantage of by foreign customers. This is especially important when dealing with customers in dissimilar cultures where perceptions of the negotiation process and tactics applied in the customer’s culture differ substantially from the salesperson’s culture. Having the right people to deal with customers in dissimilar cultures is important for at least two reasons. First, if the exporter manages to get a foothold in a dissimilar market, which is an achievement considering the challenges involved (e.g. Bianchi and Saleh 2010), it gives a competitive edge compared to those exporters not capable of connecting with customers in this market. Second, the exporter acquires experience in dealing with customers in this market, which could support the efforts to establish additional business relationships in the same or similar markets in the future.

Openness to new experience and others’ points of view is a personal trait which is primarily shaped by early childhood experience and becomes more resistant to change over time (e.g. Downes et al. 2010; Johnson et al. 2006). Open-mindedness is considered a stable characteristic of the individual, and it is a kind of attribute that cannot easily be acquired by individuals who do not already possess it. Individuals that are open-minded are better prepared to work in cross-cultural situations than those who are not very open to new experiences and perspectives that may contradict their points of view (Johnson et al. 2006; Wang et al. 2013). How to identify open-minded persons should be a key issue in the recruitment process because training a person to become more open-minded implies costs and may not be very successful. Because open-minded people are better prepared to flex their negotiation style, training them
to negotiate will also imply lesser costs. In combination with interviews, managers could consider the use of a questionnaire that aims to capture a person’s ability to question his or her own assumptions and willingness to update own beliefs and views about the customers. In addition, simulations of negotiations could be used as a tool to identify those people with a talent for performing flexibility. In addition, managers could consider mentoring arrangements, which implies that senior salespeople supervise newly recruited people with regard to how to communicate and negotiate with selected customers. This could include business visits because it is through social interactions with customers that the salesperson learns the culturally appropriate norms and behaviours (Kim and McKay-Semmler 2013; Mendenhall and Oddou 1985).

5.3 Limitations and future research

One of the limitations of this study is the single-industry focus, namely seafood industry. To improve the external validity of the model, more studies are required, based on larger samples and including other exporting industries. Future studies could provide the basis from where comparative studies could be carried out. For example, are there significant differences between countries in the dissimilar and the similar culture, not only with regard to the relative importance of the salespeople’s open-mindedness and adaptive business style on communication and trust, but also with regard to other relational qualities such as commitment and cooperation? By including various industries, it is possible to investigate whether there are differences between industries with regard to how open-mindedness and ability to adapt business style relate to the various relational qualities. We focused on the Norwegian seafood export industry, which primarily sells commodity products. Industries selling complex products and services require stronger involvement with their customers (Solberg 2008), and therefore may produce different results. By including age, gender, ethnicity and experience of the
salesperson, one may shed further light on which characteristics matter to build relationships in export markets.

Including performance measures that capture financial and strategic objectives could extend our knowledge with regard to the consequences of competences such as open-mindedness and ability to adapt business style. One may also consider investigating the role of language skills in developing business relationships in an export context. Although a few studies indicate that language proficiency is important in this context (e.g. Asasongtham and Wichadee 2014; Enderwick and Akoorie 1994; Williams and Chaston 2004), the extent to which it influences communication or other relational qualities has not been thoroughly investigated. In this study, we theorize that communication is an antecedent to trust, assuming that information sharing is a prerequisite for trust to develop. However, communication and trust are closely related factors, which implies that at some stage, trust leads to improved communication for well-established business relationships (Mohr and Nevin 1990). Future research could apply a multi-time-period perspective investigating how trust and communication relate to each other over time.

References


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