

# A MULTICULTURAL STUDY ON THE IMPACT OF CULTURE ON THE QUALITY OF THE RELATIONSHIP BETWEEN EXPORTERS AND LOCAL DISTRIBUTORS

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## **Abstract**

*This research is aimed at understanding the role of culture in the quality of the relationship between Portuguese exporting companies and their distributors in Angola. This study is particularly important because it is based on an analysis of exporting distributor pairs (matched pairs) i.e. Portuguese export companies and their distributors in Angola. This study aims to understand how culture has an impact on the quality of trade relationships established between companies in the internationalization of the business context. Also, note that in international contexts, the impact of the similarities/cultural differences on the relationship structures have not been particularly studied. In terms of methodology, we have chosen a qualitative analysis: five case studies of Portuguese exporting companies and five case studies of Angolan distributors were examined. Interviews with Directors/CEO of Portuguese exporting companies and boards responsible for export activities were carried out and the corresponding Angolan distributors in order to answer the research questions. The selection of the Portuguese companies was based on a list of the fifty largest exporters to Angola, provided by the Agency for Investment and Foreign Trade of Portugal, EPE (AICEP) in August 2011. In general, the results show that culture has an impact on the quality of the business relationships between the Portuguese exporting companies and the Angolan distributors.*

**Keywords:** international marketing, culture, cross-cultural marketing, Exporters, distributors.

## **1. Introduction**

Increasing globalization, intensified competition, and an advance in transportation, communication, and information technologies have been responsible for the phenomenal growth of international business (Keegan, 2009).

This research is of great relevance since the literature review indicates that in terms of studies conducted so far there is a gap when it comes to analyzing both sides of a commercial relationship; furthermore, research on emerging/developing markets is scarce, and to date, to

the best of our knowledge, none analyzes the specificities of the Angolan market. It should be noted that the "process of initiating buyer-seller relations, negotiation and results are different from country to country" (Wiley et al., 2006), cited by Saleh, Ali & Andaleeb (2014, p. 46) which greatly hinders the generalization of results from empirical studies and makes the analysis of each country idiosyncratic.

On the other hand, the impact of similarities and cultural differences on relationship structures has not yet been adequately researched, as has the approach of relationships of trust and commitment in international contexts.

Increasingly, Portuguese companies are not only confined to the national market, but seek new markets to ensure their survival. Thus, it is pertinent to analyze the quality of relationships and culture in relationships between Portuguese exporting companies and their respective distributors in the Angolan market. The choice of the Angolan market is due to the fact that it is a developing/emerging country, a market in expansion, one of the most promising countries of the African continent.

In terms of methodology we chose a qualitative analysis: five case studies of Portuguese exporting companies and five case studies of Angolan distributors were analyzed. Interviews with the managers/CEO of the Portuguese exporting companies and the employees in charge of exporting activities were performed, as well as their corresponding Angolan distributors, to obtain the answers to the research questions. The selection of the Portuguese companies was based on the list of the fifty largest Portuguese companies exporting to Angola provided by the Agency for Investment and External Commerce of Portugal, EPE (AICEP) in August 2011.

## **2. Literature review**

### ***2.1 Culture***

Culture guides people's behavior and, as such, has an impact on all aspects of management (Tsoukatos, 2007). It can be said that the more the managers know about culture, the better they will perform in the exercise of their functions, especially when culture has several idiosyncrasies as is the case of Angola.

Usunier (2000, p.573) states that "in some cultures" my word is my blind commitment "and trust is a personal matter, which contrasts with the" put in writing "mentality in that trust is more impersonal ". Particularly interesting for the present investigation is the same author's statement (p. 574) that in African cultures "written documents are presented either as irrelevant to day-to-day social practices or as an anti-social practice"

Usunier (2000, p. 572) states that "... many cultures are more relationship-oriented than business-oriented." The cultural dimension Universalism versus Particularism (Turner & Trompenaars, 1993) precisely asks: "What is more important: universal rules or relationships?"

Marshall (2003), Anderson & Weitz (1990), Anderson & Narus (1990), Schurr & Ozane (1985) define trust as a belief, while Mohr & Nevin (1990) & Nielson (1998) also define commitment as a conviction. Sojka & Tansuhaj (1995, p. 7) define culture as "a dynamic set of socially acquired patterns of behavior and meanings common to members of a particular society or human group, including the key elements of language, artifacts, beliefs, and values.

"It thus seems natural that, if culture includes the convictions of a society, and resulting trust and commitment of convictions, these constructs depend on national cultures. The notion of sharing common convictions is central to the Latin concept of trust (Usunier, 2000). This author (p.554) argues that "when people do not share the same codes there may be problems in assessing the credibility/trustworthiness of their partners"

It should also be noted that Kroeber & Kluckhohn (1951) (cited by Hofstede, 1984) include, in their definition of culture, "relationship models" which reinforce the idea that culture affects relationships and, inherently, trust and commitment. The evidence that national culture affects trust is embodied in the existence of high trust and low trust societies (Parkhe, 1998). Other authors, such as Child (2001), argue that cultural differences can undermine the development of trust.

Usunier (2000, p. 547) states that "trust in an international sale or business venture is heavily dependent on culturally coded signals, and can ultimately be removed precisely because these cultural codes have been ignored. These difficulties in interacting ... are deeply rooted in the human cultural and social background of business people. People with different cultural backgrounds often do not share the same basic assumptions. This can destroy the process of building and maintaining trust between culturally unequal partners. "The same author (p. 548) states that "there are great obstacles to establishing trust in an intercultural perspective: 1) people do not always share the same style of communication; 2) they may not share the same convictions. The "reference to context" (Hall, 1973, 1977 & 1990) can be invoked on the style of communication and admit that the establishment of trust differs as we are in the presence of a country with a high context or a low context.

Geyskens et al. (1998), based on a significant number of articles, present the back ground of the construct trust, including culture and cultural similarity.

In this regard, Ha et al. (2004) refer that the effects of similarities and differences between the cultural backgrounds of exporters and distributors on channel relationships can be explained through cultural distance and behavioral transparency.

Although there are several definitions of the concept of culture, the study by Schmiedel et al. (2013) states that the concept of culture is mainly defined through invisible values. In fact, many academics have identified shared values as the central element of culture (Straub et al., 2002), and the sharing of values is precisely one of the five forerunners of relational commitment proposed by Morgan & Hunt (1994).

The cultural dimension "Exclusionism versus Universalism" (Minkov, 2011) shows a contrast between cultures where friends and next of kin exchange favors and privileges, but exclude strangers from this circle and, on the other hand, cultures where people are not normally treated based on the group to which they belong. Usunier (2000, p.557) states that "cultures place a stronger or weaker emphasis on belonging to the group as a prerequisite to being considered a trusted partner." Conway & Swift (2000) refer to trust "for what they are." For Usunier (2000), in different cultures the status is evidenced in different ways and influential people are different. It is therefore plausible to admit that the cultural dimension "exclusionism" has an impact on the way trust is attributed.

The "orientation for the future" cultural dimension, one of the dimensions of the Globe Study (House et al., 2004), can be defined as the extent to which members of a society or an

organization believe that their current actions will have Impact on their future, believe in planning for the future, and look at the distant future to assess the effects of their current actions. If we consider that the definition of commitment of Gundlach et al. (1995) explicitly states that commitment is designed to understand a time dimension and that it only means something in the long run, and Morgan & Hunt's (1994) definition of commitment that it is worth working on a relationship to ensure that it lasts indefinitely, it becomes easy to admit that culture, especially the conception of time, has an impact on the commitment of the relationship. The same reasoning applies if we consider the cultural dimension "temporary orientation" (Hofstede, 1991). Usunier (2000, p.550) states that "the parties exchange implicit or explicit (written or oral) signals of their willingness to continue the exchange relationship." Furthermore, Skarmeas et al. (2002) conclude that an exporter's cultural sensitivity has an impact on the distributor's commitment to the relationship.

Compiling several authors, it can be said that "culture refers to attitudes, values, roles, assumptions and convictions, meanings, behavior patterns, rules, norms, patterns of perception and relationship, problem solving, standard forms of thinking, feeling and reacting, artifacts, language, art, morals, customs and habits acquired, traditional ideas, knowledge, social stimuli, common associations that are rooted, apprehended, acquired, shared and transmitted (social heritage) by a Social group, which in this way is distinct from another that shares a different culture. Briefly, it can be said that culture is the collective programming of the mind, the part of the environment made by man that he must know and believe in order to act in a manner which is acceptable to the group "(Alves, 2014, 53-54).

Exports provide the traditional means of access to foreign markets (Navarro-Garcia, Arenas-Gaitán & Rondán, 2014). "When people started to exchange goods and services they also started to interact in relationships" (Gummesson, 2017, p.4).

## ***2.2 Quality of the relationship***

Some authors have considered trust and commitment as indicators of the quality of the relationship (eg, Garbarino & Johnson 1999; Ulaga & Eggert 2006).

Gilliland & Bello (2002) argue that firms may be linked by economic factors and social factors. When the priority is a long-term partnership between two companies, the second type of relationship is revealed through the development and maintenance of social bonds, social factors, and in this type of relationship, trust and commitment are vital. "Trust has been studied for 30 years in several disciplines and continues to attract the interest of researchers in business-to-business (B2B) marketing" (Akrou, H., Diallo, M. F., Akrou, W., & Chandon, J.-L., 2016, p.269).

If, on the one hand, according to Obadia (2008), in an international context, where legal differences between countries hinder the execution of contracts (Zhang et al., 2003), the existence of trust is even more important, on the other hand, commitment has been referred to as an important component of close relationships in business to business marketing (Chang, et al., 2012) (quoted by Schmiedel et al., 2013).

The theory of Morgan & Hunt (1994) is taken as prominent in explaining the relationship between exporters and distributors, based on the concepts of trust and commitment. For these authors, relationship marketing implies a positive relationship between commitment and trust.

Trust, by reducing perceived risk and vulnerability in a relationship, leads to a greater commitment to the relationship (Ganesan, 1994).

Relationships between firms are guided by relational factors such as commitment standards, which are based on trust (Achrol, 1991; Cambra-Fierro & Polo-Redondo, 2011; Riel et al., 2011).

Just like Morgan & Hunt (1994), also Buttle (1996), Siguaw et al. (1998), Conway & Swift (2000) & Narayandas & Rangan (2004) consider that trust precedes commitment.

"Trust is the basic mechanism used to build and maintain a relationship and to promote long-term orientation in marketing relationships" (Li et al., 2007, p.33). Trust is used as a basis for strengthening the commitment relationship in organizational sciences (Cambra-Fierro & Polo-Redondo, 2011).

However, on the contrary, other authors consider that commitment is a determinant of trust (e.g. Gundlach et al., 1995, cited by Hewett et al., 2002). Gundlach et al. (1995), consider that the behavioral aspect of affective commitment is fundamental in terms of trust building.

### **3. Research methodology**

#### ***3.1. Population of the study***

The sample of exporting companies is constituted of five Portuguese companies, namely: (Petróleos de Portugal-Petrolgal. SA (Galp Energia, SGPS, SA - |GE|) e Unicer Bebidas- União Cervejeira, SA - |Unicer|, Efacec Energia, SA ((Grupo EFACEC) - |Efacec PT|), Martifer - Construções Metalomecânicas, SA - |Martifer PT| e Acail - Indústria e Comércio de Ferro e Aços, SA - |Acail PT|).

The sample of Angolan distributors is constituted of five companies, distributors of Portuguese companies: Mota & Tavares, Lda - |M & T| and Importangola SA - |Importangola|, Efacec Angola, Lda - |Efacec AG|, Martifer - Construções Metalomecânicas Angola, SA - |Martifer AG| and Acail Angola SA - |Acail AG|.

The criteria for the selection of the case studies were in the case of exporting companies, the Portuguese companies which were successful in exporting to the Angolan market and exporting to the Angolan market through an Angolan distributor. In the case of Angolan companies, in the other five case studies, they are distributors of Portuguese companies in Angola.

The geographical context of this study includes Portugal and Angola. Given the nature of this (intercultural) study, the specific nature of these markets is taken into account.

#### ***3.2 Study design***

Regarding the "design of the study", this research uses a qualitative methodology, namely through interviews. One of the advantages of in-depth interviews is that they allow interviewees to speak freely and the interviewer to explore themes without interruption (Robson, 2002).

Interviews to the managers/CEO of the Portuguese exporting companies and to the employees in charge of exporting activities were performed, as well as to their corresponding Angolan distributors, to obtain answers to the research questions. A total of 15 valid interviews

were carried out. The interviews conducted for this research lasted from about forty-five minutes to one hundred and fifty minutes, when they were allowed to be recorded and were fully transcribed, making up approximately 200 pages of tape scripts.

The data collected were treated according to qualitative content analysis (Bardin, 2011).

Since trust is one of the categories, and the subcategories are honesty (Anderson & Narus (1990); Dwyer & Oh (1987) citado por Geyskens et al. (1998); Doney & Cannon (1997)), benevolence (Geyskens et al. (1998); Boersma et al. (2003)); Doney e Cannon (1997)), competence (Helfert et al. (2001); Walter et al. (2003); Boersma et al. (2003)), perceived credibility (Doney & Cannon (1997); Boersma et al. (2003)), and the trust of calculation: reputation (Doney & Cannon, 1997). Another of the categories is commitment in which the subcategories are commitment of attitude (commitment of calculation and commitment of loyalty) (Gilliland & Bello (2002); Brown et al. (1995) citado por Gilliland & Bello (2002); Morgan & Hunt (1994)), commitment of continuity (Kim & Frazier (1996); Skarmeas et al. (2002)), behavioral commitment (Skarmeas et al. (2002)), commitment of collaboration (Selnes & Sallis (2003)), commitment of credibility (Gundlach et al. (1995); Gilliland & Bello (2002)) and affective commitment (Sanzo et al., (2003)). Finally the last category is culture and its subcategories are language (Ghemawat, 2001), habits (Jain, 1993), the use of time (Hall (1973,1977, 1990); (Hofstede (1980 e 1991); Trompenaars & Turner (1997); House et al. (2004); Minkov (2011)), the distribution of power and authority (House et al. (2004); Trompenaars & Turner (1993); Hall (1973,1977, 1990); Hofstede (1980 e 1991)), the emphasis on groups or individuals (Minkov (2011); House et al. (2004); Trompenaars & Turner (1993); Hofstede (1980 e 1991)) and personal and social control (Minkov (2011); House et al. (2004); Trompenaars & Turner (1997); Hofstede (1980 e 1991)).

In short, the data collected are treated according to qualitative content analysis. This research used qualitative methodology, an inductive method, the paradigm is constructivist and there is a triangulation of sources.

#### **4. Results and discussion**

Common language, habits, customs and social practices, the notion of time, social hierarchies, national pride and its expression, the existence of cultural empathy, the values of the people, the expression of masculinity and business ethics, have a major impact on trade relations between Portuguese exporting companies and their Angolan distributors. In other words, the analysis of the data collected in the case studies of Portuguese exporting companies in the research question, i.e. how cultural differences and similarities affect the quality of the commercial relationship between the Portuguese exporting company and its local distributors, it can be pointed out that cultural similarities in language and customs, from the colonization period, contribute positively to international trade, giving Portugal a competitive advantage when competing with other countries, as indicated in literature by Ghemawat (2001). In addition to the cultural similarities described above, it is important to refer to the habits (Jain, 1993), low individualism (Hosftede, 1980 & 1991) and the high context (Hall, 1973, 1977 & 1990) of both countries.

Even when there are cultural differences to a greater or lesser extent between Portugal and Angola, the high level of aversion to uncertainty in Portugal and, in the case of Angola, only a

high one, the low masculinity of Portugal and the average masculinity of Angola, the low temporal orientation of Portugal (Hofstede 1980 and 1991) and the hypometropia of Angola (Minkov, 2011) and exclusionism (Minkov, 2011), the high territoriality (Hall, 1973, 1977 and 1990) and particularism (Turner & Trompenaars, 1993) of Angola, contribute to generate trust, as reported by the interviewees' testimonies, thus revealing the cultural impact on the quality of the relationship. According to several researchers, such as Garbarino & Johnson (1999) and Ulaga & Eggert (2006), commitment and trust are elements of the quality of the relationship. According to Boersma et al. (2003), trust has three bases - promises, competence and benevolence - which are mentioned in the testimonies of the cases of Portuguese exporting companies, and according to Gundlach et al. (1995) (cited by Hewett et al., 2002) commitment is a determinant of trust. Gundlach et al. (1995) consider that the behavioral aspect of affective commitment is fundamental in terms of developing trust.

The following are some testimonies of the data collection on the research question with regard to Portuguese exporting companies and Angolan distributors.

"(Interviewer: What are the essential characteristics of the relationship of your business with Angolan companies, in your point of view?) The first one that is essential is that we perceive and understand the Angolan culture. The EFACEC alliance has experiences in many countries, our marketing says that more than 65 countries and each country is a different country ... "|Efacec PT|

"... Angola has its own things, its own cultures, and therefore, the EFACEC people in Angola, the first concern is to adapt to this culture that is a culture which is different to the Portuguese culture. The Angolan companies are different in different aspects of things that the Portuguese get. Therefore, this cultural issue is first and I think it is essential. "|Efacec PT |

"(Interviewer: In your opinion, do you think it is important for an Angolan distributor ... the fact that the exporter is Portuguese?) I think that language ... culture is an important factor. The fact that EFACEC is a Portuguese company I think gives us some privileges, and therefore, this is very positive compared to other countries, and therefore, the fact that it is Portuguese, in this case in Angola, I think it has a competitive advantage compared to other foreign countries. "Efacec PT |

"The Portuguese-speaking component of Galp Energia operates as another facilitator of the relationship of cultural affinity between the parties ..." |GE|

"All decisions are taken together and are transparent." |Martifer PT|

"... there are 2 or 3 criteria that seem fundamental to me. One is the seriousness with which we go there (Angola), we must have consistency, patience, seriousness ... "|Martifer PT|

"In Angola, we have a great facility that is the language ... we are part of the management of this country as a colonizing country. All the good things of this proximity of countries is essential and it is an advantage that we as a Portuguese company ... "|Martifer PT|

" The creation of myths about the brand has also been crucial to the success of the product." Super Bock has become known in the Angolan market as the GTI, beer with power for the shock troops. That is, through "rappers" and expressions of contemporary Angolan popular music, a myth has been created that responds to the masculinity desires in society and corresponds to the diffusion of the belief that Super Bock is a strong beer, only for those who have power, those who are virile, hence Super Bock for the shock troops ... Virility displays are

a way of building trust or getting closer to partners. This is an example of how knowledge of cultural realities at the consumer level can be used in strategy of communication of a product/brand, but this requires knowledge of the idiosyncrasies of local consumers and the culture that shapes their behavior."|Unicer|

"Most of the relationships in Angola are defined outside the legal context in force." There is a prevalence of personal relationships and networks. They have created creative ways to make money that sustain a whole subsistence economy. Without knowledge of the rules in force in the informal sector, where a substantial part of the distribution networks of consumer products are based, one cannot succeed in business in Angola. "

"(Interviewer: What are the essential characteristics of the relationship to do business with Angolan companies? I think it is good service, quality, speed and seriousness.

"Exactly. It is to fulfill what one agrees on, not to let the client down when he makes a contract with us. Fulfill that contract exactly, even if it could bring us more costs, for some momentary need that has arisen. "

"(Interviewer: In your opinion, do you think it is important, for the Angolan distributor, that the exporter is Portuguese?) I think so, they believe in the quality of Portuguese products very much, they believe in the Portuguese word, the same is not the case with the Chinese, they no longer believe in quality, and they think they are there, they only give jobs to the Chinese themselves, they do not employ Angolans, we give jobs to Angolans, they do not like Chinese or Cubans, but they like Portuguese. There is a relationship history, there are always those who are more racist. That foreigners should not be there. They are a minority, so it is not significant. " |Acail PT| The following is a summary of the data collection on the research question to the Angolan distributor (s)

"... We are a serious company" |Acail AG|

"... businessmen, it's more like work, more like a greeting. The portuguese are compliant. "| Acail AG |

"It is a problem ... (Angolans) create difficulties to sell facilities." (Note: "*gasosa*") "... there is no way to print now, there are no ink cartridges, this in public entities. If you do not have paper, you cannot print "| Acail AG |

"Angola was at war until 2004. And so, there are many values that this society had before, even in the time of the Portuguese, which it does not have today. Because during the war everything counted ..., so this issue of respect, honor, is something that for them is little or nothing at this time. "Efacec AG |

"... the importance of the language, the importance of the products, the importance of Portuguese quality was so great ..." |Efacec AG |

"... in principle, I would buy a Portuguese product precisely for the purposes of communication, after-sales, dialogue, philosophy .... Same cultural affinity helps a lot and most of all it has weight. "|Efacec AG|

"Two obvious cultural influences between the exporter and the distributor: the language and the legal landscape, whose own identities have many similarities or common points." |Martifer AG|



"I think a little bit of everything. Because when we do business we talk about the same things, I mean we speak the same language, we are used to working together, often the same people in other places." |Martifer AG|

"No matter how much we speak of a global economy, which is indifferent to buying from a Chinese or Japanese or Brazilian supplier, in everyday life I think that the language barrier, feeling the language, the other side wants to feel trust more and more feel. ... because we already have a relationship of many years .... In one way or another we feel more trust." |Martifer AG|

"... The culture is the same, because the Portuguese have a culture of many years of qualities and customs with Angola, the food, the dress codes are the same. Now what happens is that sometimes both sides are not properly prepared to make things easier, and then things go wrong. But the culture is the same, there are no differences. Angolan and Portuguese habits, customs are the same and you cannot change them. |M & T|

"One of the main bases is honesty ..." "... because of this, Angola prefers to work with the Portuguese than with anybody else, this is known ...." Most moral values are the honesty of both parties. Knowing that I will deliver a product and the customer will be satisfied with the product, he will not be poorly served: This is the main basis, do not sell customer "*gato por lebre*" /cat by hare. This is the main basis in moral values." |M & T|

"... with Unicer it was, therefore, almost an empathic question." |Importangola|

"Trust and loyalty above all, and transparency." |Importangola|

"No, I think it's different (negotiating with a Portuguese company and with a French company) the French, the Spanish, the Americans, even the Brazilians are undervalued, lower competitive advantage because Portuguese companies have the capacity to adapt." |Importangola|.

Various definitions of culture consider language as one of its constituent elements. Given that language is one of the key elements of culture, it was the object of analysis of this research. Of the five case studies of Portuguese exporting companies, there are testimonies from |GE|, |Martifer PT|, and |Efacec PT| of how the same language is central to the realization of commercial relations between Portugal and Angola, given that it facilitates cultural affinity as stated by the |GE|, even creating a competitive advantage for Portuguese companies, as emphasized by |Efacec PT|.

Regarding Angolan distributors, in all case studies, (|Efacec AG|, |Martifer AG|, |M & T|, |Importangola| and |Acail Angola|) consider the same language an important factor, coming to |Importangola| to explicitly express that "it is an advantage, we speak the same language" and also that "it is also the ideas that are expressed by the phrases whose translation is not language. There is a whole advantage in negotiating with the Portuguese ... ". Thus, in the light of the case studies analyzed in this research, the fact that Portugal and Angola share the same language is considered an advantage for Portuguese companies when they intend to establish trade relationships with Angola. According to the testimony of |Martifer AG| it is clear that "feeling the language on the other side (Portugal) ... increasingly feeling more trust"; according to several authors, the presence of trust and commitment are elements of the quality of the relationship (Garbarino & Johnson, 1999 and Ulaga & Eggert, 2006).

According to Ghemawat (2001), mentioned above, the attribute that has the most impact on international trade is the colony-colonizer relationship. According to the data collected for

the Portuguese exporting companies in this area, [Martifer PT], [Acail PT], [Unicer] consider the colony-colonizer attribute to be relevant, and the [Martifer PT] states that "it is an advantage for us as a Portuguese company". However, [Unicer] informs of the danger of being perceived as neocolonial and [Efacec AG] goes so far as saying that sometimes the imputation of colonizers is used to treat and cover the current situation in Angola. Despite this, on the side of the Angolan distributors, [Martifer AG], [Acail AG], [M & T] and [Efacec AG] explicitly consider that the relationship of colony and colonizer is important in the commercial relations between these two countries. A [Martifer AG] even indicates that "we already have a relationship of many years ... in one way or another we feel more trust"; we can thus deduce that the colony-colonizer relationship contributes to generate more trust, which is, according to several authors, together with commitment, an element of the quality of the relationship.

We can deduce that common habits and customs (Jain, 1993) result from the period of colonization. According [M & T] there were 500 years, "created a family of 500 years, which is almost impossible to separate"; this has the direct consequence, in economic terms, of consumption of Portuguese products, as evidenced by the testimonies of the various interviewees, and, in emotional terms, the creation and/or maintenance of greater empathy between Portuguese and Angolans for sharing something in over the years. As we can see from the testimony of [Efacec PT] "Portuguese products, I do not know if still out of admiration, are products that have an acknowledged brand in Angola ... for example Super Bock is the beer that is most drunk in Angola." It should also be noted that according to [Importangola] the "brand imported from Portugal has a lot of power", therefore much more economic value.

It can therefore be concluded from the analysis of the case study data of the Portuguese exporting companies, [Efacec PT], [Unicer], [Acail PT], [Martifer PT], that there is a preference for Portuguese products and that these are associated with quality. On the side of the Angolan distributors, [Importangola], [Efacec AG], [Acail AG], [M & T], they share the same opinion, as we can see from their testimonies. It should be noted that, in addition to the reason given above, [Efacec PT] indicates that "Portuguese brands, the result of the work that some have done for many years, have a certain ease because there is a whole image of quality associated with the Portuguese in Angola." Thus, we can conclude that, and citing an [Efacec PT] statement, "any Angolan distributor is more likely to promote a Portuguese brand than a French brand or a Chinese brand."

A [Martifer PT] refers that the Portuguese's capacity for adaptation is greater due to the past reality (colonization period). Portuguese exporting companies that claim to understand the Angolan culture are the [Unicer], a [Efacec PT], a [Martifer PT] and a [Acail PT]. In the light of what Labahn & Harich (1997, p. 31) state, national cultural business sensitivity is defined as understanding a business and adapting to the partner's national business practices as perceived by the partner. As we can see from the testimonies of the Angolan distributors, the adaptability of the Portuguese, or, in other words, their sensitivity to the Angolan culture, is the reason for the realization of business given the cultural empathy defined by Philips et al. (1994) (cited by Swift, 1999), such as the ability of one seller to position himself as a buyer, from another culture. This is evidenced by the testimony of [Importangola], "with Unicer, so it was almost an empathic question."

There is an extremely relevant feature in Angolan culture that should be taken into account when conducting business, since its lack of consideration may mean, in the light of the testimonies obtained from Portuguese exporting companies (|Unicer| e |Acail PT |) and of the Angolan distributors (|Efacec AG| and |Acail AG|) the non-realization of business. In other words, according to |Efacec AG| "nothing is done in Angola without gas (bribery)." The existence of corruption is one of the characteristic features of societies in which exclusionism prevails (Minkov, 2011).

Trust is composed by honesty (Anderson & Narus, 1990; Doney & Cannon, 1997; Dwyer & Oh, 1987 cited by Geyskens et al., 1998), benevolence (Geyskens et al., 1998; Boersma et al., 2003; Doney & Cannon, 1997) competence (Helfert et al., 2001; Walter et al., 2003; Boersma et al., 2003) and perceived credibility (Doney & Cannon, 1997; Boersma et al., 2003). Honesty means keeping one's word, being reliable and sincere. Benevolence presupposes that one is genuinely committed to one's interests. Competence refers to competence in benefit of the relationship and perceived credibility means one's word, i.e. the partner's perceived statement that they are reliable. As we can see from the statements of all the Portuguese exporting companies present in this research (|Acail PT|, |Martifer PT|, |Unicer|, |GE| and |Efacec PT|) these are key characteristics to making business with Angola. For the Angolan distributors (|Importangola|, |M & T|, |Acail AG| and |Martifer AG|), the fact that the Portuguese have a behavior, based on the above mentioned characteristics, is decisive when buying from the Portuguese. In other words, in short and citing |M & T|, "one of the main (things) is honesty ... because of this, Angola prefers to work with the Portuguese than with anyone else, this is known" and, citing |Acail AG|, "They have more trust in Portuguese companies."

Commitment integrates the commitment of attitude (Brown et al., 1995, Morgan et al., 1994), commitment of continuity (Kim & Frazier, 1996; Skarmeas et al., 2002), behavioral commitment (Skarmeas et al., 2002), commitment of collaboration (Selnes & Sallis, 2003), commitment of credibility (Gundlach et al., 1995, Gilliland & Bello, 2002). The statements of Portuguese exporting companies, |Acail PT|, |Unicer|, |GE|, and |Efacec PT| and the Angolan distributors (|M & T|, |Importangola|, |Martifer AG| and |Efacec AG|) reveal that it is essential for the Portuguese and the Angolans to have commitment to doing business. In other words, quoting |M & T|, "the main basis, there must be trust and commitment" ... "the most important for both parties, not just one. If both parties have this behavior, the business goes far ... "

Summarizing, in the light of the literature review and the testimonies revealed in the case studies analyzed in this investigation, culture has an impact on the quality of the commercial relationship between the Portuguese exporting companies and the Angolan distributors and, as previously mentioned, it was also possible to see how this happens.

## **5. Conclusions and implications**

The study shows that a common historical past, specifically the secular existence of a colonizer - colonized relationship, left indelible traces in the Angolan culture that has a significant impact on the commercial relationships between the two nations. Despite a long colonial war, the agreed outcome that led to the independence of Angola, allows the Portuguese a peaceful and friendly coexistence with the Angolans. The notoriety and reputation of many Portuguese

brands still dates back to colonial times, thus allowing for a competitive advantage. The colonial heritage of Angolans is also reflected in the sharing of habits and customs, which of course represents a marketing advantage for Portuguese companies.

However, the historical past may, occasionally, have negative repercussions in relationships if attitudes and behaviors are likely to be perceived as neocolonial.

The cultural aspect that perhaps has the greatest impact on relations is the fact that the official language of both countries is common. The language, Lusophony, facilitates the communication of ideas, contacts and apprehension of reality and consequent adaptation ("Angolanization"). The same language significantly reduces the psychological distance perceived by individuals, which, according to Nordstrom & Vahlne (1994), prevents or disturbs the learning and understanding of the company about a foreign environment, or, in the expression of one of the interviewees, "the same language, another facility". For another interviewee, "feeling the language" generates more trust, confirming the one mentioned by Rodriguez & Wilson (2002), for whom trust depends, among other things, on cultural similarity.

Sharing interests in games is also a cultural phenomenon that brings the two nations together. Note the references to interest in Portuguese football, particularly to Benfica, probably a result of the golden age of this club in the colonial era. Socialization and the sharing of interests, outside the business sphere, brings people together and strengthens relationships.

However, other cultural factors differ considerably between the two cultures. The notion of time is an example. Angolans have a short-term orientation, with repercussions, namely in the evaluation of investments and the definition of strategies. This is of particular interest if we take into account the importance of partnerships with local companies. The explanation may lie in the decades of wars - colonial and civil - that have created a sense of day-to-day living. The habit of improvisation and tolerance for delays are other manifestations of the conception of time.

Another important cultural aspect for the establishment and maintenance of relationships is the understanding of social interactions, which "establish the roles that people play in society and their patterns of authority/responsibility" (Jain, 1993, p.238); in the present case, it is relevant to know the importance attributed to age - "old wisdom" in the expression of a respondent - to the position in the family and the recognition by the group, which is so characteristic of, for example, Eastern societies.

"All cultures nurture a certain pride and prejudice among their inhabitants" (Jain 1993, p. 243). Understanding national pride and prejudice factors of Angolans and their implications in business is important. Angolans have "an extreme feeling of belonging to Angolan nationality and patriotism" (interviewed) and, as already mentioned, a prejudice as to what can be understood as offensive to "Angolanity". This pride of being Angolan associated with a recent national independence which was conquered with effort, translates into a behavior of the owning, an exacerbated manifestation of the possession of the country, according to which the Angolans assume that they are entitled to the income of the businesses operated by foreigners, without having contributed to them.

Regarding values, respect for values such as seriousness, honesty, loyalty, credibility and transparency - "not selling a pig in a poke" (Angolan interviewee) - is valued by Angolans and maintains commercial relationships because they "believe in the word of the Portuguese

"(interviewee). On the other hand, there is a need on the part of the Portuguese to understand the manifestation of some recent values, such as the "culture of money" (interviewed) and the imaginative ways of achieving them, even if they are ethically unacceptable by Cultures of Western Europe and they are the fruit of a rapidly developing society, where there are very large social disparities. Another value of great expression in Angola is masculinity, whose manifestation can be a source of trust in relationships and be used as the axis of communication of brands ("Super Bock for the shock troops"). "Communication is the human activity that creates and maintains relationships between the different parties involved. Although communication is often based on information of various kinds, it is not synonymous with sending or receiving information by itself. For communication to occur, people should not only exchange information but also be able to decipher each other's codes. " (Lages et al., 2005, p. 1041).

The cultural practice of rumor - perhaps the oldest social networking project in the world - is a form of communication in Angola whose consideration by companies is not negligence, since it can be used in their favor or, if not, require action in order minimize the effects thereof.

The material culture that Jain (1993, p.237) refers "the tools, knowledge, techniques, methods and processes that a culture uses to produce goods and services, as well as their distribution and consumption" has an impact on relationships in Angola. Technological deficiencies, such as an intermittent supply of energy or Internet access or malfunctioning of ports and customs, conditions business practice and performance, reflecting relationships.

As a cultural dimension, formal education (Hill, 2001, p.95) has repercussions on business practice in Angola, manifesting itself in the lack of qualified staff and, often, the inevitability of using expatriate staff.

As a consequence of the cultural proximity between the two nations and the resulting trust, Portuguese companies and brands enjoy a preference for Angolans, which, if properly exploited, constitutes a sustainable competitive advantage.

The results of the empirical study show a strong impact of culture, according to several dimensions, on the quality of relationships between Portuguese exporting companies and Angolan distributors.

One of the limitations that may be pointed out in this research study is that it is based on a qualitative analysis, that is, on the interpretation of a person; as such, generalizations have to be taken care of.

Another limitation that can be pointed out is the fact that this study is multisector, since it applies more to the general relationship of companies, without focusing on any particular sector, removing homogeneity.

The limited time to complete this research can be considered a barrier that conditions the researcher's options, such as the impossibility of performing more interviews. Data collection through in-depth interviews is subject to the scarce availability of respondents, which has lengthened this process over time. However, if we use several international publications as reference, it can be seen that they are based on a smaller number of case studies than those included in this research.

For a more complete understanding of the object of study of this research, the same study using a design/data in longitudinal terms should also be performed.

With regard to recommendations for future investigations, the suggestion is to replicate this same study with regard to Portuguese exporting companies, but with other markets, such as Brazil or Mozambique. As these countries, also Portuguese ex-colonies, also have Portuguese as their official language, the confirmation or infirmation of the contributions of this study and the underlying causes may be evaluated

Another suggestion may be to carry out this research based on Portuguese exporting companies that have failed in the Angolan market, instead of successful Portuguese exporting companies, allowing subsequent comparative analysis, thus detecting similarities and/or differences.

The possibility of investigating the effect of other relational variables is also suggested.

One way forward for future research may be to include construct cooperation. It may also be interesting to study the feedback effect of cooperation on trust.

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