

# THE EFFECT OF CULTURAL SIMILARITY ON STRATEGIC SUPPLIER NEGOTIATION OUTCOMES

**Isabela Fernanda Quiroz Pacheco**

Division for Land-Grant Engagement, Davis College of Agriculture and Natural Resources, School of Natural Resources and the Environment, West Virginia University, Morgantown, USA

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## Abstract

Although cultural similarity is often considered to facilitate the development of negotiations from a win-win or value creation approach, the evidence obtained calls this assumption into question. Recognizing negotiation as a critical component of organizational strategic processes, this study challenges the traditional integrative/competitive dichotomy commonly used in negotiation behavior analysis. The study adopts an abductive reasoning approach, enabling an iterative dialogue between empirical observations and existing negotiation theory. From a methodological perspective, the research is positioned as a theory elaboration study, aiming to refine and extend established negotiation frameworks rather than to test predefined hypotheses. Based on 21 in-depth interviews with professional buyers engaged in customer/supplier negotiations at four leading supermarket chains in Costa Rica, which together represent more than 80% of the national supermarket market share in the country. The study examines how the degree of cultural similarity influences the three categories of negotiating actions: inappropriate competitive, acceptable competitive, and integrative. The findings show that greater cultural similarity does foster more integrative actions but does not reduce the occurrence of acceptable or inappropriate competitive actions. These insights are relevant both academically and professionally, particularly in the fields of business and strategic decision-making.

**Keywords:** Supplier negotiation behavior; cultural similarity; negotiating actions; in-depth interviews, strategic decision-making.

## 1. Introduction

After two decades since Ramsay (2004) opened Pandora's Box, little progress has been made in understanding the customer/supplier negotiation dynamics. There is still a high degree of uncertainty surrounding these processes, which remain of utmost relevance in the global business context (Kelly & Chicksand, 2024; Krzywda, 2017). However, there are many voices that, like Fells et al. (2015: 119), highlight that "there is a lack of information about what actually occurs during business negotiations in general". The results obtained by Ramsay (2004, 2007) regarding the negotiation behavior of suppliers questioned the consensus on the suitability of adopting a win-win approach for successful negotiation. However, years later Saorín-Iborra and Cubillo (2019),

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responding to Ramsay's (2004) serendipity (accidental discovery), demonstrated that the competitive behavior of suppliers did not have to lead to the failure of negotiations. The answer lay in the approach adopted for analyzing the impact of negotiating behavior. Thus, Saorín-Iborra and Cubillo (2019) propose breaking with the integrative-competitive dichotomous approach, widely used in literature, and analyzing negotiation behavior through the combination of three kinds of negotiating actions (acceptable competitive, inappropriate competitive, and integrative actions). The set of the different actions could explain that, even displaying behaviors focused on reclaiming value, satisfactory agreements could be reached for the customer.

Gunia et al. (2016) highlight that while many studies have examined cultural influences on negotiation, most are intracultural and limited in scope. Although research on intercultural negotiations has grown, key questions remain to better understand the relationship between culture and negotiation. As noted by Brett, Gunia, and Gelfand (2023: 30), "research on culture and negotiation strategy exposes evidence of intriguing patterns of cultural differences in the use and effectiveness of negotiation strategy around the world".

One of the key inputs that stands out in previous works for its negative influence on the value creation in intercultural negotiations, is the so-called cultural distance (Gunia et al., 2016). In this sense, focused on the operations management field, Ribbink and Grimm (2014) concluded that cultural differences not only influence directly supply chain joint profit levels, but also moderate the effect of cooperative bargaining strategies on joint profits.

Thus, although the evidence found pointed to a consensus that cultural similarity is associated with integrative negotiation behaviors and, consequently, with the creation of value, works such as Fang et al. (2004) were surprising in discovering that cultural similarity does not always lead to successful negotiations. Once again, the debate was served and new questions pending to be answered arose, highlighting the clear need to continue deepening the analysis of the negotiation dynamics, and particularly the kind of negotiating behavior displayed. This need becomes even more relevant when recognizing that negotiation is not merely a transactional practice, but rather a core component of the firm's strategic processes, especially in contexts such as supply chain management, internationalization, and long-term value creation (Arvanitis, 2021; OrtigueiraSánchez & Stein, 2022). OrtigueiraSánchez and Stein (2022) further reinforce this perspective, showing that strategic factors -such as planning, formalization, and the use of negotiation support tools- significantly influence negotiation performance in SMEs at trade fairs.

Additionally, Córdova et al. (2012) emphasize that in the mining logistics sector, negotiation frameworks aligned with innovation strategies and corporate objectives are crucial to achieving operational efficiency and sustainable partnerships, confirming negotiation as a strategic management tool rather than a purely operational interaction. This is very important given that negotiation behavior is understood as the main determinant of the negotiation outcome (Fisher et al., 1983; Ghauri, 2003; Lax and Sebenius, 1986; Saorín-Iborra, 2006; Weiss, 1993). Besides that, globalization has led to a significant increase in intercultural negotiations at all levels including politics,

defense, and business (Gunia et al., 2016), including supply chains (Ribbink & Grimm, 2014), and, therefore, understand how the negotiators behave and why, is key to the success of international transactions. From the previous arguments, with the objective of better understanding the negotiation behavior in customer/supplier negotiations in the face of the questions raised as a result of Ramsay's serendipity (2004), and focusing on an intercultural context, the aim of this study is to explore - from the perspective of the customer and analyzing negotiation behavior from the set of the different actions proposed by Saorín-Iborra and Cubillo (2019) - how cultural similarity influences the behavior of suppliers, and more specifically in the combination of negotiating actions used. For this purpose, a study was carried out on 21 in-depth interviews to buyers involved in customer/supplier negotiations in the consumer products industry in Costa Rica, with 7 of the in-depth interviews being intracultural and 14 being intercultural.

The main research question guiding this study is: How does cultural similarity influence suppliers' negotiating actions? Accordingly, the objective of this research is to analyze whether cultural similarity leads suppliers to adopt a particular combination of negotiating actions -integrative, acceptable competitive, or inappropriate competitive- within the context of international business negotiations.

## 2 . Literature Review

### 2.1. Breaking with the dichotomous approach in the analysis of negotiation behavior

Negotiation behavior has been analyzed from a dichotomous approach which makes the exclusive distinction between integrative and competitive or distributive negotiation behaviors (Fisher et al., 1983; Lewicki, 2009; Lewicki & Litterer, 1985; Neale & Bazerman, 1991; Walton & McKersie, 1965), which have been associated with the value creation and value reclaiming respectively (Lax & Sebenius, 1986).

However, although the work of Carnevale et al. (1993) was one of the timid attempts to break with this dichotomous approach, it was really the work by Saorín-Iborra (2008) and its subsequent development in Saorín-Iborra and Cubillo (2019) that represents a clear break with it. The premise is that the dichotomous perspective does not identify the varied nuances of negotiation dynamics, since pure competitive and pure integrative negotiation behaviors are scarcely displayed. Thus, based on the basic agreed-upon premise that in every negotiation there is a tension between value creating and value reclaiming (Lax and Sebenius, 1986), these authors argue that the set of negotiating actions (integrative and competitive) will result in different intermediate negotiation behaviors that will determine different negotiation outcomes (Saorín-Iborra, 2008; Saorín-Iborra & Cubillo, 2019).

Therefore, according to Saorín-Iborra and Cubillo (2019), in this work we understand negotiation behavior as a combination of communication actions, both verbal and non-verbal, integrative and/or competitive, that negotiators use with the purpose of managing their interdependent relationship. Consequently, negotiation behavior can be classified "within a continuum that ranges from the extremes of pure competitive to pure

integrative behavior with competition, soft competition, compromise and collaboration between these extremes” ( Saorín-Iborra & Cubillo, 2019: 54).

Each negotiation behavior within the continuum is defined by the combination of three kinds of negotiating actions (acceptable competitive, integrative, and inappropriate competitive actions) (SaorínIborra & Cubillo, 2019). Thus, while these authors rely on the integrative actions proposed by Adair and Brett (2005), Bolman et al. (2000), Kim et al. (2005) and Saorín-Iborra (2008), eliminating the tautologies found in them, in relation to actions with a competitive nature, Saorín-Iborra and Cubillo (2019) are focused on the actions proposed by Lewicki and Robinson (1998), although distinguishing between acceptable competitive and inappropriate competitive actions. Specifically, they define acceptable competitive actions as those that in the proposal of Lewicki and Robinson (1998) are considered traditional competitive bargaining, characterizing the rest of the actions as inappropriate competitive. Therefore, according to Saorín-Iborra and Cubillo (2019: 55), the different intermediate negotiation behaviors within the continuum are defined as follows:

- “Pure Integrative Behavior: Very high use of integrative actions, with very low or no use of acceptable competitive actions and no inappropriate actions.
- Collaboration: Prevalence of integrative actions, with few acceptable competitive actions and no inappropriate actions.
- Compromise Behavior: Frequent use of integrative actions with moderate use of acceptable competitive actions and absence of inappropriate competitive actions.
- Soft Competition: Use of integrative actions with frequent use of acceptable competitive actions and few inappropriate competitive actions.
- Competition: Use of integrative actions with frequent use of acceptable competitive actions and high use of inappropriate competitive actions.
- Pure Competitive Behavior: None or very low integrative actions with high use of acceptable competitive actions and high use of inappropriate competitive actions”.

## **2.2. Culture and negotiation behavior. Cultural Distance / Cultural Similarity**

Globalization has led to the proliferation of international transactions and with these the development of intercultural negotiations, highlighting the relevance of correctly managing cultural differences (Čuhlová & Demel, 2024; Khakhar, Alnajadah & González, 2023).

From anthropology, culture is an essential concept for the understanding of human behavior, but both its complexity and its ephemerality have meant that over many decades and since the term was coined by Tylor (1871), until today, a continuous and controversial debate has been established about its definition and configuration (Akaliyski, Vignoles & Minkov, 2025; Boon, 1972; Sökefeld, 1999, House et al., 2004; Minkov & Hofstede, 2011). Thus, over time, the different schools of thought and disciplines have been simplifying and adapting to their idiosyncrasies how the culture is defined. Among these simplifications and given that this work

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is framed in the discipline of management, culture is defined as “the collective mental programming of the mind that distinguishes the members of one group or category of people from others” (Hofstede, 1980: 25). This is why it is understood that culture impacts how the information is perceived and interpreted and, therefore, how negotiators communicate. Consequently, the existence of cultural differences is understood to constitute “the fundamental predictor of the dynamism of international management behavior” (Fang et al., 2004: 573), or according to Hofstede (1994), culture is the business of international business. The correct management of cultural differences will facilitate the avoidance of misunderstandings by establishing effective communication between negotiators and, consequently, the achievement of mutually satisfactory agreements will be favored by creating value (Adair & Brett, 2005; Caputo et al., 2018, 2019; Groves et al. 2015; Gunia et al., 2016; Kelly & Chicksand, 2024; Ogliastri & Quintanilla, 2016; Ribbink & Grimm, 2014; Usunier, 2003).

This justifies that since the 1980s, many works have focused on analyzing the possible effect of national culture on negotiation behavior and, by extension, on the international negotiation outcomes (Gunia et al., 2016). However, most of these previous works are of an intracultural comparative nature, and although in recent years the number of intercultural studies has increased, they still focus on a small number of cultures, receiving almost no attention cultures of geographical areas such as Central America (Ogliastri & Quintanilla, 2016; Saorín-Iborra and Cubillo, 2019).

Thus, based mainly on the characterization of culture through the dimensions proposed in the Hofstede model (1980), or using those of other cultural models such as Schwartz (1994), Trompenaars and Hampden-Turner (2011) or the project GLOBE by House et al. (2004), among others; earlier works have focused their attention on the differences found regarding these dimensions and how these can explain the type of negotiation behavior displayed through a comparative analysis (Adam et al., 2010; Fulmer & Gelfand, 2015; Gunia et al., 2011; Lügger et al., 2015; Tu et al., 2021; Tung, 1982).

In the least numerous works of an intercultural nature, the objective is to analyze how the negotiation dynamic occurs between, basically, two different cultures, trying to draw conclusions about the type of negotiation behavior from a dichotomous perspective too, and about the possibility or not of achieving agreements (Brett & Okumura, 1998; Campbell et al., 1988; Graham et al., 1994; Ribbink & Grimm, 2014; Saorín-Iborra & Cubillo, 2016).

However, in both cases the almost exclusive attention paid to the existence of cultural differences stands out, and as Fang et al. (2004) already pointed out, the analysis of cultural similarities is insufficient. Kogut and Singh (1988) define cultural distance as the norms of one country that differ from those of another country. Similarly, Shankarmahesh et al. (2003) conceptualize it as the degree to which a culture differs from that of its counterpart. Thus, this captures differences in customs, values and beliefs that intervene in the way in which people communicate and negotiate (Fisher, 1988). Recent studies continue to underscore how different cultural contexts shape distinct negotiation behaviors and outcomes.

For instance, Chai (2023) found that negotiation styles differ significantly across cultures, and that these differences can impact the likelihood of building trust, fostering collaboration, and ultimately reaching integrative agreements. Similarly, Ogliastri, Quintanilla, and Benetti (2023) identify negotiation prototypes influenced by national culture, showing that cultural traits not only determine how negotiations are conducted, but also which strategies are perceived as effective or acceptable in international contexts.

With the aim of identifying cultural differences between countries, House et al. (2004) - through a process of multidimensional staggering - identified ten global regions that make up conglomerates of countries with similar characteristics to each other. These conglomerates coincide with a geographical order classified into four culturally distinct quadrants. For example, Latin America and Latin Europe are in quadrant II, while Germanic Europe, Northern Europe and the Anglo-Saxon conglomerate are in quadrant III.

Additionally, Kogut and Singh (1988) propose the index of cultural divergence between countries. This index uses data from the work of Hofstede (1980). However, data from other works such as House et al. (2004) can also be used.

Baarkema et al. (1996) already obtained evidence that there is a negative correlation between the cultural distance and the longevity of international operations. Thus, there is a consensus that cultural distance hinders communication, mutual understanding, trust, and consequently reaching win-win agreements in intercultural negotiations (Caputo et al., 2019; Gunia et al., 2016; Ribbink & Grimm, 2014), taking for granted the other side of the coin whereby it is expected that the greater the cultural similarity, the greater the effectiveness in communication, leading the negotiators to display integrative behaviors. However, the impact of cultural similarity has not been the focus of research, even though unexpected evidence has been found, as in the work of Fang et al. (2004). Consequently, it is worth asking, should the positive effect of cultural similarity on the kind of negotiation behavior displayed and the creation of value really be taken as true?

Given the scarce research on the impact of cultural similarities on negotiating dynamics (Fang et al., 2004; Gunia et al., 2016) and trying to delve deeper into negotiation behavior in the customer/supplier context in response to the questions that have arisen in works like Ramsay (2004, 2007); based on the perspective proposed by SaorínIborra and Cubillo (2019), this work tries to answer the following research question:

**RQ** How does cultural similarity influence suppliers' negotiating actions?

### 3. Methodology

To answer our research question, we used in-depth interviews based on face-to-face interaction, argued to be a suitable enquiry method (Yin, 2014). Each interview represents a particular case of negotiation. According to Ketokivi and Choi (2014: 232), cases present high heterogeneity because "it comes in many varieties and is underpinned by heterogeneous theoretical and epistemological premises". Thus, they propose three possible methodological perspectives for qualitative research (theory generation, theory testing and theory elaboration) that "differ chiefly in the relative emphases given to theory and empirics" (Ketokivi & Choi, 2014: 232). In this

paper we follow the theory elaboration approach using empirical data to test and challenge this theory. We consider that for our goals, such a methodological approach seems to be the most suitable, as it allows us to analyze the negotiation behavior theory in-depth and get evidence if cultural similarity ensures a positive influence in the international customer/ supplier negotiation processes.

Consequently, our reasoning is abductive -from effect to cause- (Niiniluoto, 1999). Thus, the researcher does not formulate a priori propositions anticipating the empirical evidence, but rather a continuous interaction is established between the general theory and the empirical data. That is, serendipity is important (Merton, 1957), and the researcher is open to unexpected evidence and, consequently, to the reformulation of the general theory. In our case, it would be, on the one hand, being open to reformulating the way of defining negotiating behavior in a dichotomous way in favor of doing so through the typology of three different types of actions. And on the other hand, we are open to the reformulation of not assuming that cultural similarity always leads to the creation of value in customer/supplier negotiations. Therefore, qualitative research as theory elaboration points out that general theory is malleable, “modifying the logic of the general theory in order to reconcile it with contextual idiosyncrasies” (Ketokivi & Choi, 2014: 236).

### 3.1. Sample

Fells (2015: 136) highlights that “access to negotiations in live settings is far less common”; therefore, our analysis is based on in-depth interviews with “key actors” in 21 customer/supplier international negotiations involving the leading supermarket chains in Costa Rica (Corporación Automercado, Walmart Mexico and Central America, GESSA, and Megasúper). The interviews were conducted between April and July 2010. The four supermarket chains studied represent more than 80% of all the supermarket chains sales points in the Costa Rican market (FAO, 2021; MEIC, 2023). We focus on the supermarket industry because of the importance and frequency of negotiations conducted within this sector.

Negotiators with a high level of experience in commercial negotiations were interviewed, and the different kinds of negotiation behavior displayed by suppliers were analyzed through combinations of different actions (acceptable competitive, integrative, and inappropriate competitive actions) and the impact of cultural similarity on the negotiating actions used.

Firstly, we contacted these supermarket chains to explain the goals of our study and subsequently request their participation. Category managers were indicated to be the key negotiators with suppliers. Seven category managers were interviewed (one from Walmart Mexico and Central America, one from GESSA, one from Corporación Automercado, and four from Megasúper).

Before the interviews, category managers were asked to identify the countries with which they most frequently negotiated with suppliers. Based on this initial input, two countries were selected as common denominators across the supermarket chains. Thus, based on the clustering proposal of the GLOBE project (House et al., 2004), we requested that one negotiation be chosen in which the supplier was local (Costa Rican), another from Colombia,

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and another from the United States of America (USA). In this way, we could analyze the negotiating actions in cases of the same culture (negotiations between Costa Ricans), considerable cultural similarity (negotiations between Costa Ricans and Colombians), and low cultural similarity (between Costa Ricans and Americans). Furthermore, the three selected cultures were relevant, as they not only exhibited different degrees of cultural similarity with Costa Rica but also represented important commercial partners, given their prominence in the market and the existence of trade agreements that would lead to future business opportunities.

During the interview, we asked category managers to choose three different negotiating processes -one corresponding to each of the selected cultures- that they considered to be the most relevant in economic or strategic terms for the firm, and that had occurred within the previous three years, in order to ensure accurate recall of negotiation details... We analyzed 21 negotiations, fourteen were intercultural (seven negotiations between Costa Ricans and Americans suppliers and seven negotiations between Costa Ricans and Colombian suppliers) and seven were intra-cultural (Costa Ricans with Costa Ricans).

Table 1 shows the general information of the analyzed negotiations. Suppliers are grouped by country. Their names and other details are not included to respect the desire for confidentiality.

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Negotiation code	Supplier country	Supermarket chain	Business activity of supplier	Negotiation purpose	Negotiated product
CR1	Costa Rica	Automercado	Importer	Product introduction	Apple products
CR2		Megasúper	Producer	Improve conditions	Cleaning products
CR3		Megasúper	Producer	Exclusivity	Beans
CR4		Megasúper	Producer	Improve conditions	Vegetables
CR5		Perimercado	Producer	Exclusivity	Bottled water
CR6		Megasúper	Producer	Exclusivity	Fresh chicken
CR7		Walmart	Producer	Product introduction	Pastries
Col1	Colombia	Automercado	Producer	Product introduction	Pastries
Col2		Megasúper	Importer	Improve conditions	Candies and pastries
Col3		Megasúper	Producer	Product introduction	Flour
Col4		Megasúper	Producer	Product introduction	Frozen fish
Col5		Perimercado	Producer	Product introduction	Macrobiotic products
Col6		Megasúper	Producer	Product introduction	Shoes
Col7		Walmart	Producer	Product introduction	Frozen food
US1	United States	Automercado	Producer	Product introduction	Chocolates
US2		Megasúper	Distributor	Product introduction	Plastic swimming pools
US3		Megasúper	Distributor	Product introduction	Candies

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US4	Megasúper	Producer	Product introduction	Frozen chips
US5	Perimercado	Producer	Product introduction	Canned foods
US6	Megasúper	Distributor	Product introduction	Dehydrated fish
US7	Walmart	Producer	Product introduction	Frozen chips

**Table 1.** Main characteristics of negotiations

**3.2. Information gathering instrument and data analysis** As shown in Table 2, during the negotiation, the supermarket chain was represented by only one category manager, whereas the supplier team was formed usually by one to two negotiators except for US4 (with three members in the negotiation team).

We interviewed individually the seven category managers, for an average of two hours on three different occasions regarding three different negotiations. We recorded the interviews and, later on, they were transcribed in verbatim. We prepared and based on an “interview guide” consisting of semi-structured questions (Appendix A).

The approach adopted was the storytelling one, so we asked the respondents to narrate the main actions they used along the negotiation (Douglas, 1985). The interviewer was not a passive listener but **Table 2.** Information about the interviews adopted a more “creative” approach which used “many strategies and tactics of interaction based on an understanding of feelings and intimacy in order to optimize collaboration and the creative pursuit of mutual

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<b>Negotiation code</b>	<b>Managerial category of the participants in the supplier negotiation team</b>	<b>Length of interview</b>	<b>Time lag between the negotiation and the interview</b>
CR1	President/Owner	2h 10min	Less than one year
CR2	Manager and Sales Executive	2h	Periodic negotiation
CR3	Owner	1h 50min	Less than one year
CR4	Owner	2h 10min	Periodic negotiation
CR5	General Manager and Sales Executive	1h 50min	Less than one year
CR6	Business Director and Account Executive	1h 50min	Less than one year
CR7	Owner	1 h 45min	Less than three years
Col1	Exports Manager	1h 50min	Three years (approx.)
Col2	Owner/General Manager	2h	Periodic negotiation
Col3	Two Company Owners	1h 45min	Less than three years
Col4	Business Manager	1h 50min	Less than one year
Col5	Owner	1h 45min	Less than one year
Col6	Owner and General Manager	2h	Three years (approx.)
Col7	Owner	1h 45min	Less than three years
US1	Exports Manager	1h 50min	Less than one year
US2	Sales Manager	1h 45min	Two years (approx.)
US3	Owner and General Manager	1h 50min	Less than one year

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US4	President and 2 Associates	2h 10min	Two years (approx.)
US5	Representative	2h	Less than one year
US6	Executive director	1h 50min	Two years (approx.)
US7	Executive	2h 30min	Less than three years

understanding” (Douglas, 1985: 25). Specifically, we asked for storytelling narrative of the negotiations where the buyers were involved and used several open questions to go in-deep of the details and key factors of the negotiation process. Based on Yin (2014), we fulfilled research protocol requirements for data validity and reliability. The supermarket industry is highly competitive, therefore, access to internal documentation was restricted. To offset this limitation, we triangulated the findings with supplier and customer data analysis available on the Internet, mass communication, and the points of sales, to vet the assortment, brands and availability or unavailability of the products negotiated, prices and their competitors.

According to Miles and Huberman (1994), data reduction, display, conclusion drawing, and verification to analyze the data gathered from the interviews were used. During the data reduction phase, categories were constructed from the interview transcripts, document analysis, and notes, thereby, simplifying the findings into three main categories: 1) supplier negotiation behavior, 2) types of negotiating actions used (integrative, acceptable competitive and inappropriate competitive) and 3) cultural similarity.

The data was coded and displayed in figures based on indicators suggested in previous studies and then interpreted according to negotiation literature. We processed the interviews by a pattern-matching technique (Miles & Huberman, 1994; Yin, 2014).

During the data display phase, the collected data was organized to be able to draw conclusions. The patterns were then used for the verification and conclusion-drawing phase. The transcripts of the interviews were reviewed by an expert in negotiations and validated our coding.

We used the validation procedure proposed by Larsson and Finkelstein (1999) who argue that in front of a non-convergence in the coding (from different researchers), an agreement will be reached based on discussion. We asked the category managers to complete a questionnaire at the end of the interview regarding each of the three negotiations which they were interviewed about with the aim of complementing and reconfirming the feasibility of our coding, (Appendix B).

The frequency that suppliers displayed the different negotiating actions was measured using a seven-point scale. We compared these results against indicators in referenced literature.

To measure cultural similarity between the cultures involved in the negotiations, the index of cultural distance proposed by Kogut and Singh (1988) was used considering the nine cultural dimensions of House et al. (2004). Supplier negotiation behavior was measured based on inappropriate and acceptable competitive actions as well as on integrative actions (Saorín-Iborra & Cubillo, 2019). We asked the interviewees to rank how often each kind

of action was displayed by suppliers. Then, we used this figure to calculate the mean of the three groups of proposed actions.

**Data and Supplementary Materials.** All relevant data supporting the findings of this study are available upon reasonable request from the corresponding author.

#### 4. Results

The nature of the research is qualitative and integrated. Because of that, we organized the results as three main categories formulated from the interviews that are substantiated by negotiations examples and quotes where appropriate and the development of propositions (Yin, 2014).

##### 4.1. Supplier negotiation behavior. Combination of negotiating actions

We studied supplier behavior and its prevalence in each of the 21 negotiations analyzed (as reported by customers in the interviews and the post-interview questionnaire). Using the transcription of the interviews, we reach 487 text quotes and used them to classify the negotiation behavior based on the proposed classification by SaorínIborra and Cubillo (2019), we considered the type and how frequently each of the negotiating actions was reported by the customers (Table 3). Five out of the six kinds of negotiation behaviors in the continuum were observed in the 21 negotiations analyzed.

As an example, we indicate below quotes from the transcripts of the interviews that were considered key, along with others, for identifying the different types of negotiating behavior shown by suppliers in the negotiations:

- Pure integrative behavior:

“[The supplier] is always attentive... in fact, the account executive spends more time here than at his own factory... Curiously, I am not allowed to visit [the supplier factory], not because they don't want me to go, but since whenever the commercial director sees me there, he always says, 'It's absurd for you to come here! They are the ones who should go and should spoil you...roll out the red carpet for you!'... This supplier is one of the most attentive and one we can always count on both in good and bad times. Therefore, negotiations with this supplier are very cheerful, like sitting down to chat with a friend” (CR6).

- Collaboration:

“There was more proximity [in the relationship] and they were never competitive and confrontational. They were pleasant and willing to negotiate [on our terms]. They were open to all the conditions I presented - quantity, price, negotiation style -, but the supplier offered exclusivity to sell the product only to our chain and not to the competition. This created a bit of tension, but they didn't impose [themselves on us]. Communication was effective. [The supplier] was insistent without being rude. Ultimately, however, that didn't affect the sale” (CR1).

- Compromise:

“They are very willing to cooperate. But as leaders, it's hard for them to tropicalize and adapt to this country since they are leaders in Colombia. They just want to come over and implement everything here as just as they do over there...the way this man negotiates is very inflexible... but they can be swayed. ... When they feel that

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they are drowning... they tend to become stubborn... sometimes they use rude language, although it's quite common for them... sometimes we clashed... [For example], they would say: you just won't invest in me; they have a tough attitude... But I cannot say that we have had a bad experience with them, that they haven't given us what we have asked for; no, they always do" (Col 2).

- **Soft Competition:**

"They always stay in touch with us and provide good follow-up. They were the ones who first showed interest in introducing their product to our country since there are no similar products in the market of that same quality. They were quite open during the negotiation. They showed us prices, their interest in Costa Rica and the price they couldn't break. Marketing and promotions were also addressed considerably. They talked about what they could give us if they boosted the brand through advertising on TV and other mass media. They did boast about the company, though, stating that they are number one, that every store had their product and that they have over 50 years of experience. They also emphasized the license and that they were the only suppliers that had it here ... however, we had our reservations, because we were not sure that they had the licenses for Costa Rica, probably only for the United States" (US3).

**Table 3.** Supplier negotiation behavior and combination of negotiating actions

- **Competition:**

"... They made us an offer without conditions. For example, they would say, 'this is what we are looking for'. They make everything look nice and try to influence you through their contacts network. They are very skilled in negotiating, very informal and friendly. But they tend to distort things and involve you without being direct, which influences the level of trust. They offer you the moon and the stars, but don't always follow through 100%. They don't focus on negotiating, but rather talk and talk which is part of their strategy to engage you and build trust. They communicate indirectly. They [also] mentioned the competition to put some pressure on us" (Col1). Table 3 indicates how often the suppliers used each of the negotiating actions and, consequently, the type of negotiation behavior displayed in the continuum proposed. Thus, "soft competition" was the most frequent type of negotiation behavior exhibited (9 negotiations) followed by "compromise" (5 negotiations), "pure integrative behavior" (3 negotiations), "competition" (3 negotiations) and finally "collaboration" (1 negotiation). Consequently, out of the 21 negotiations, 9 were integrative-oriented and 12 competitive-oriented.

Based on our findings, some suppliers displayed a negotiation behavior involving the frequent use of both integrative and competitive actions, demonstrating the non-excluding nature, but complementary, balancing overall behavior and modulating it towards a less extreme classification. This evidence led us to propose that: P1 In intra-intercultural customer/supplier negotiations for mass consumer products, there is a trend towards moderately competitive behavior among suppliers.

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Negotiation code	Integrative Actions (Frequency)	Acceptable Competitive Actions (frequency)	Inappropriate Competitive Actions (frequency)	Supplier negotiation behavior
CR1	Very high	Low	Never	Collaboration
CR2	Medium high	Medium high	Never	Compromise
CR3	High	High	Low	Soft competition
CR4	Very high	Medium low	Medium	Soft competition
CR5	Very high	Medium high	Low	Soft competition
CR6	Very high	Very low	Never	Pure integrative behavior
CR7	Very high	Medium	Medium	Soft competition
Col1	Very high	Very high	High	Competition
Col2	Medium	Medium low	Never	Compromise
Col3	Medium	High	High	Competition
Col4	Very high	Medium high	High	Soft competition
Col5	Very low	Medium high	Never	Soft competition
Col6	Very high	Very low	Never	Pure integrative behavior
Col7	Very high	Medium	Low	Soft competition
US1	High	Medium low	Never	Compromise
US2	Medium low	Low	Never	Compromise
US3	Medium	High	Low	Soft competition
US4	Medium high	Medium	Low	Soft competition
US5	Very low	Medium high	High	Competition
US6	Very high	Very low	Never	Pure integrative behavior
US7	Medium high	Medium high	Never	Compromise

**4.2. Cultural Similarity and supplier negotiating actions** As indicated above, Latin American, and Anglo-Saxon countries are classified into different cultural quadrants (House et al., 2004). We have calculated the cultural distance that Colombia and USA maintain with Costa Rica as a reference country. This cultural distance was calculated through the cultural divergence index proposed by Kogut and Singh (1988), which is obtained from the average of the deviations of the indices (I) between the reference country (x) and the country compared

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(y) in each of the dimensions (d), corrected by the variance (V) of the dimension. Algebraically, the index of cultural divergence between countries is as follows: To carry out a comparative analysis and measure the level of cultural similarity of Costa Rica with Colombia and USA, we classify the countries in quintiles, by using South Korea as the limit, because it represents the greatest cultural divergence with Costa Rica.

Considering that the range of cultural divergence between Costa Rica and South Korea is 3.52 we used this limit

$$DC_{(x,r)} = \sum_{d=1}^9 \frac{(I_{dy} - I_{dx})^2}{V_d} / 9$$

to create the quintiles. In such a way that Colombia shares the first quintile, therefore, the quintile closest culturally to Costa Rica. For its part, USA is in the second quintile (see table 4).

**Table 4.** Cultural divergence of the countries under study and comparison with Costa Rica (reference country) according to the dimensions of House et al. (2004)

Country	Cultural divergence index	Quintile cultural divergence	Cultural similarity characterization***
Costa Rica*	0	Same culture	Same culture
Colombia**	0.51	1st	Very similar
USA**	0.94	2nd	Less similar
South Korea	3.52	5th	Very distant

Note: \* Costa Rica is the reference country with which the rest of the countries were compared.

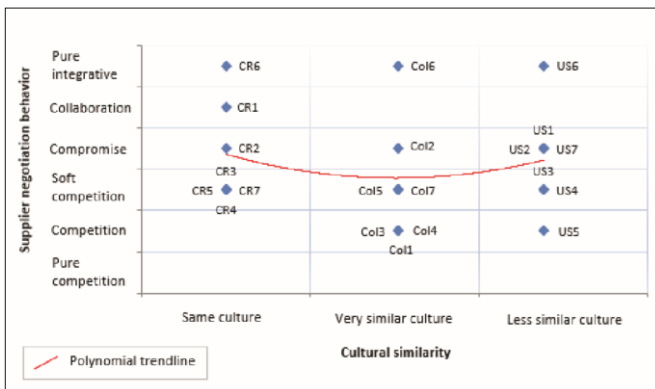
\*\* The shaded rows represent the countries included in the empirical study of this research.

\*\*\* The cultural divergence of the countries with Costa Rica was divided into quintiles. The greatest cultural divergence observed was with South Korea with 3.52 points. Therefore, this distance was divided by five (0.704) to define the limits of each quintile, according to the following classification: very similar (from 0 to 0.704), less similar (from 0.705 to 1.408), neither similar nor distant. (From 1,409 to 2,112), distant (from 2,113 to 2,816), very distant (from 2,817 to 3.52).

It should be noted that all the interviewees in the 21 negotiations (except for the negotiation 7) agreed with the results of the divergence index, such that these interviewees indicated that Colombia has more cultural similarity than the USA.

Thus, considering the negotiation behavior in the continuum and negotiating actions, we proceeded to carry out a cross-analysis between cultural similarity and negotiation behavior (figure 1).

**Figure 1.** Cultural similarity and the supplier's negotiation behavior



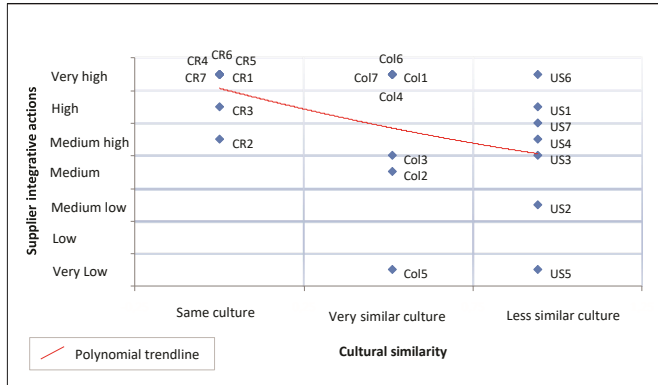
According to figure 1, the lower the cultural similarity, the supplier's Integrative behavior tended to decrease. This can be better seen in the

Negotiating processes between Colombians and Costa Ricans where more competitive negotiations were shown than their Costa Rican counterparts. Meanwhile, even though the negotiations between Americans and Costa Ricans were a little more competitive than those between the Costa Ricans themselves, the Americans showed more integrative negotiations than the Colombians. These results allow us to conclude that, in the negotiations between compatriots were the most integrative, but in the negotiations with Colombians and Americans, cultural similarity did not have a consistent relationship with negotiation behavior.

To delve deeper into the relationship between cultural similarity and negotiation behavior, below, we analyze the different types of negotiating actions that make up negotiation behavior.

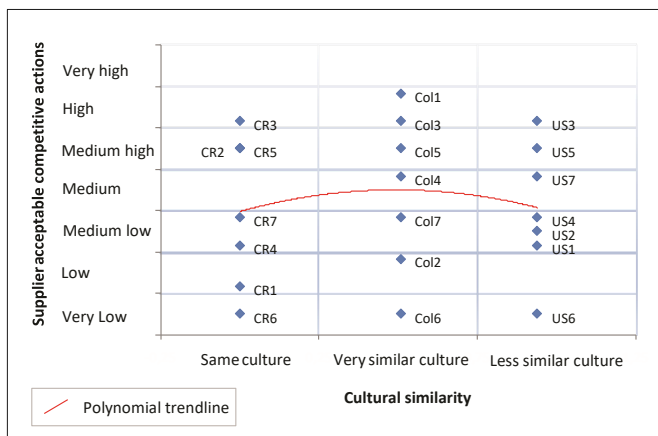
The following figures show that integrative actions and acceptable competitive actions followed an expected pattern where with greater cultural similarity, integrative actions increased and acceptable competitive actions decreased; however, inappropriate competitive actions increased with greater cultural similarity (see figures 2, 3 and 4).

**Figure 2.** Cultural similarity and the supplier's integrative actions



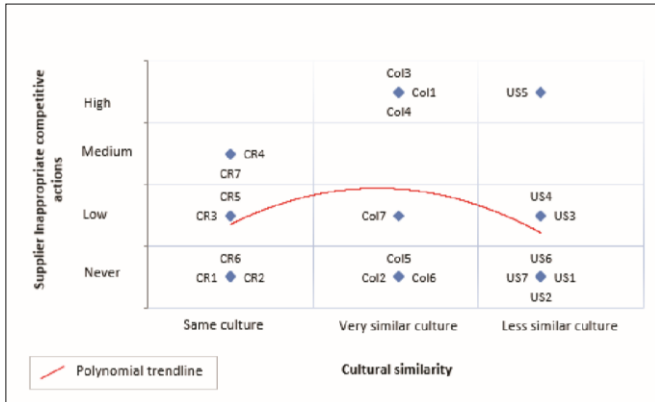
As seen in figure 2, cultural similarity seems to improve the use of integrative negotiating actions. It is shown that in the intra-cultural negotiations (between Costa Ricans), for the most part, the use of integrative actions was high and very high, while in the negotiations of the Costa Ricans with the Colombians and the Americans, some behaviors were displayed with medium or very low use of integrative actions. This trend is exacerbated in the negotiations between Costa Ricans and Americans (a country with less cultural similarity), where in few negotiations there is a high use of integrative actions. Acceptable competitive actions, the use of these actions was very similar to the negotiations between them and the Americans. However, in the negotiations with Colombians the use of acceptable competitive actions increased. Which reinforces the previous conclusion where negotiations with compatriots showed to use more integrative actions than negotiations with other cultures, although cultural similarity did not produce fewer acceptable competitive actions.

**Figure 3.** Cultural similarity and the supplier's acceptable competitive actions



According to figure 3, although the negotiations between Costa Ricans demonstrated the lowest average use (shown by the trend line) of

**Figure 4.** Cultural similarity and the supplier's inappropriate competitive actions



As evident in figure 4, acceptable and inappropriate competitive actions maintained a similar relationship with the cultural similarity

of the negotiators. However, inappropriate competitive actions were less used in negotiations between Americans and Costa Ricans. Consequently, it was Colombian buyers who used more acceptable and inappropriate competitive actions compared to Costa Rican buyers.

Therefore, based on the evidence obtained, we propose that:

P2 In intra-intercultural customer/supplier negotiations between Costa Ricans for mass consumer products, cultural similarity does not always lead to display integrative behaviors by suppliers.

P3 In intra-intercultural customer/supplier negotiations for mass consumer products between Costa Ricans buyers and Colombians and Americans suppliers, the greater cultural similarity does lead to use more integrative negotiating actions by suppliers.

P4 In intra-intercultural customer/supplier negotiations for mass consumer products between Costa Ricans buyers and Colombians and Americans suppliers, the greater cultural similarity does not lead to use less acceptable competitive negotiating actions by suppliers.

P5 In intra-intercultural customer/supplier negotiations for mass consumer products between Costa Ricans buyers and Colombians and Americans suppliers, the greater cultural similarity does not lead to use less inappropriate competitive negotiating actions by suppliers.

To qualify these propositions, it is necessary to consider that the results would be affected by some others internal variables, such as company size, type of product, negotiator style, negotiation team conformation or strategic purpose of the suppliers; and external variables, such as supplier industry culture, competitor market structure or any others macro environment factors. However, we mitigate this possible effect by using triangulation analysis with multiple examples of negotiations, various reporting units and diversity of supermarket chains, which produced that other internal or external factors were attenuated.

## 5. Discussion

Earlier works have highlighted the need to respond to questions still pending in relation to negotiation behavior in international transactions in general, and in the customer/supplier context (Chai, 2023; Fells et al, 2015, Ogliastri, Quintanilla & Benetti, 2023; Ramsay, 2004, 2007; Saorín-Iborra & Cubillo, 2019). The study carried out provides insight regarding two key aspects contributing both at an academic and professional level. On the one hand, the need to analyze negotiation behavior through the different types of negotiating actions that constitute it, thus breaking with the integrative/competitive dichotomous perspective widely used in the literature. And on the other hand, the need not to assume that, given the existence of greater cultural similarity between the negotiators, competitive behaviors are less frequent.

In the intra-inter customer/supplier negotiations analyzed, we observed how suppliers tended to display competitive behaviors. This finding supports the idea of Ramsay (2004) and Saorín-Iborra and Cubillo (2019) whereby there is a tendency towards value reclaiming by suppliers, although it does not imply the failure of negotiations.

Delving into the reason for this evidence, it was analyzed whether cultural similarity could provide an answer to it. However, surprisingly, and in line with Fang et al (2004), the greater the cultural similarity, the less competitive negotiation behavior is not always expected. Thus, the evidence found allows us to reflect on the relationship between negotiation behavior and cultural similarity, since, although this seems to be linked to the greater use of integrative actions, on the other hand, acceptable competitive actions were only used less in negotiations with the same culture (perfect cultural similarity), and inappropriate competitive actions were less used in negotiations where less cultural similarity existed. Therefore, the evidence obtained indicates that competitive negotiation behavior is moderately influenced by the cultural similarity of the negotiators. Therefore, other variables could be influencing more intensely the use of different types of negotiation actions. It seems clear that cultural similarity does not ensure integrative or value-creating behaviors in customer/supplier contexts.

These findings reinforce the view that negotiation behavior should be understood as part of the firm's broader strategic processes rather than as a purely transactional interaction. Thereby, prior research has emphasized that strategic factors such as planning, formalization, and the use of negotiation support tools play a significant role in negotiation performance (Ortigueira-Sánchez & Stein, 2022). Similarly, Córdova et al. (2012) show that in logistics-intensive industries, negotiation frameworks aligned with innovation strategies and corporate objectives are critical for achieving operational efficiency and sustaining long-term partnerships. Together, these perspectives suggest that negotiation behavior is shaped not only by cultural similarity but also by strategic considerations embedded in organizational contexts.

Importantly, these findings offer a perspective from the Global South -specifically Latin America- that provides a strategic counterweight to the Anglo-Saxon dominance in negotiation research. By including buyer-supplier negotiations situated in Global South contexts, this study challenges the implicit universality of negotiation

assumptions derived primarily from North American and European settings, thereby enhancing the international relevance of the findings.

And at a professional level, given the increase in intercultural negotiations in which company managers must participate because of globalization in supply chains, this work can serve as a guide in their decision-making. Not only they must pay attention to the influence of the differences in culture to facilitate the success of negotiation processes, but they must not fall into overconfidence in the event of greater cultural similarity. It is also necessary to analyze the negotiating context and decide their combination of negotiating actions based on this, particularly considering the strategic objectives and long-term orientation of the firm, as suggested by Ortigueira-Sánchez and Stein (2022) and Córdova et al. (2012).

It is worth mentioning that this work is not free of limitations based mainly on two methodological aspects that, in turn, constitute great opportunities for future research. The first is the fact of carrying out the analysis only from the customer's perspective. Although this has made it easier to reduce response biases on one's own behavior, a better understanding of the negotiation dynamics would also require analysis of the influence of the customer's behavior. Furthermore, aspects related to the existence or absence of behavior reciprocity should be the focus of future research, such as, for example, the perception of justice or trust highlighted from social exchange theory (Molm et al., 2000), or congruence in values pointed out from the identity theory (Freeman et al., 2004).

And, secondly, adopting the theory elaboration methodological approach implies that the evidence is focused on the customer/supplier negotiations, a particular context and not on others in which our findings should be replicated.

Additionally, and given the scarcity of studies focused on international negotiations with Central American or Latin American cultures (Ogliastri & Quintanilla, 2016), this work constitutes another step in this future line of research. Therefore, future work should analyze how the different cultural dimensions proposed in the various models that exist (Hofstede, 1980; House et al, 2004, among others) can influence the use of the different negotiating actions and, consequently, in the negotiation behavior, being able to observe, likewise, if any dimension has a greater impact on them than the rest. This could shed light on the path to better understanding the impact of cultural similarity and the use of negotiating actions.

## **6. Conclusion**

This work contributes to advancing the understanding of the negotiating behavior of suppliers in international context. Thus, the evidence found on the one hand, breaks with the belief that successful negotiations necessarily require value-creating behavior by the suppliers in negotiations. And on the other hand, it also shows that cultural similarity does not necessarily facilitate integrative negotiation behavior as expected based on previous studies. Both findings call into question consensuses raised in literature and challenge academics to continue to delve

deeper into the reasons for these results to reach a better understanding of the negotiating behavior adopted in customer-supplier negotiations.

In line with recent research that conceptualizes negotiation as a strategic management tool, the findings suggest that negotiation outcomes cannot be explained solely through cultural similarity but must be interpreted in relation to strategic priorities, organizational planning, and long-term value creation. In this sense, the proposal to analyze negotiating behavior through the different negotiation actions used by negotiators, and not through the integrative-competitive dichotomy, poses another challenge for the Academy. All of this, it is understood, can help to respond to contradictory and unexpected results in previous works.

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