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The negotiation tendencies of Finnish international business negotiators

A comparative study of face-to-face and video negotiations

School of Marketing and Communication
Master´s thesis in International Business
Master´s Degree Programme in International Business

Vaasa 2022

UNIVERSITY OF VAASA
School of Marketing and Communication
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Title of the thesis: The negotiation tendencies of Finnish international business negotiators: A comparative study of face-to-face and video negotiations
Degree: Master of Science in Economics and Business Administration
Programme: Master´s Degree Programme in International Business
Supervisor: Tahir Ali
Year: 2022 **Pages:** 149

ABSTRACT:
Companies have increasingly chosen to enter international business in the face of growing and intense competition. Businesses worldwide have restricted face-to-face contact and negotiations since the beginning of the COVID-19 pandemic. Various video tools have emerged to facilitate business-to-business video negotiations, which fills a need and can contribute to the globally accelerated transition from face-to-face international business negotiations (FTF-IBNs) to video international business negotiations (V-IBNs). Previous studies have analyzed the influence of different cultures on negotiation behavior. However, little is known about the effect of communication mode (i.e., face-to-face vs. video negotiations) on the behavior of negotiators in international business negotiations (IBNs). Thus, this study investigates the impact of communication mode on the tendencies of Finnish negotiators in IBNs.

To achieve this objective, a theoretical framework was developed for the research by combining face-to-face and video communication modes with Salacuse´s model of the 10 elements of negotiation behavior (i.e., negotiation goal, attitudes, personal style, communication style, time sensitivity, emotionalism, agreement form, agreement building, team organization, and risk-taking). Furthermore, four new complementary elements were developed for this study: information sharing, negotiation speed, trust, and negotiation satisfaction.

A methodological philosophy of positivism and, by extension, a deductive approach were applied in this study. The developed framework was tested using quantitative data collected from an online survey of 28 Finnish executives involved in FTF-IBNs and V-IBNs. A confirmatory factor analysis was also conducted to ensure that the measured constructs were reliable and valid. Moreover, an independent samples *t*-test was performed to determine the effect of communication mode on the behavior of Finnish negotiators in IBNs.

The results revealed statistically significant differences in behavior between FTF-IBNs and V-IBNs for seven out of 14 negotiation elements. First, extremely significant differences in participants´ personal style, negotiation speed, and negotiation satisfaction were found between the two modes. In addition, very significant differences were observed for negotiation goal, risk-taking, and trust. Finally, a significant difference was found for emotionalism. No statistically significant differences were observed for the remaining elements. In practical terms, the results emphasize the importance of considering the influence of communication modes on different elements of negotiation behavior in IBNs.

KEYWORDS: international business negotiations, negotiation elements, communication mode, face-to-face negotiation, video negotiation, Finnish negotiators, COVID-19

VAASAN YLIOPISTO
Markkinoinnin ja viestinnän yksikkö
Tekijä: Niko Nyman
Tutkielman nimi: Suomalaisten kansainvälisten yritysneuvottelijoiden neuvottelukäyttäytyminen: Vertaileva tutkimus kasvokkain tapahtuvista neuvotteluista ja videoneuvotteluista
Tutkinto: Kauppatieteiden maisteri
Oppiaine: Kansainvälinen liiketoiminta
Työn ohjaaja: Tahir Ali
Valmistumisvuosi: 2022 **Sivumäärä:** 149

TIIVISTELMÄ:
Kasvavan ja kiristyvän kilpailun vuoksi yhä useammat yritykset ovat päättäneet ryhtyä kansainväliseen liiketoimintaan. COVID-19-pandemian alusta lähtien yritykset ympäri maailmaa ovat rajoittaneet kasvokkain tapahtuvia kontakteja. Yritysten välisiä videoneuvotteluja helpottamaan on kehitetty erilaisia videotyökaluja, jotka vastaavat tähän tarpeeseen ja saattavat olla osaltaan nopeuttamassa maailmanlaajuista siirtymistä kasvokkain käytävistä kansainvälisistä liikeneuvotteluista kansainvälisiin videoneuvotteluihin. Aiemmissa tutkimuksissa on analysoitu eri kulttuurien vaikutusta neuvottelukäyttäytymiseen. Viestintätavan (neuvottelut kasvotusten vs. videoneuvottelut) vaikutuksesta neuvottelijoiden käyttäytymiseen kansainvälisissä liikeneuvotteluissa tiedetään kuitenkin vain vähän. Siksi tässä tutkimuksessa selvitetään viestintätavan vaikutusta suomalaisten neuvottelijoiden käyttäytymiseen kansainvälisissä liikeneuvotteluissa.

Tavoitteen saavuttamiseksi tutkimukselle rakennettiin teoreettinen viitekehys yhdistämällä kaksi viestintätapaa (neuvottelut kasvokkain ja videoneuvottelut) Salacusen malliin neuvottelukäyttäytymisen 10 osatekijästä (neuvottelun tavoite, asenteet, henkilökohtainen tyyli, kommunikointityyli, aikaherkkyys, emotionaalisuus, sopimuksen muoto, sopimuksen rakenne, tiimiorganisaatio ja riskinotto). Lisäksi tätä tutkimusta varten kehitettiin neljä uutta niitä täydentävää osatekijää: tiedon jakaminen, neuvottelunopeus, luottamus ja neuvottelutyytyväisyys.

Tässä tutkimuksessa sovellettiin metodologista positivismin filosofiaa ja sitä kautta deduktiivista lähestymistapaa. Kehitettyä viitekehystä testattiin kvantitatiivisella datalla, joka kerättiin verkkokyselyllä 28 suomalaiselta, jotka olivat osallistuneet kansainvälisiin liikeneuvotteluihin kasvotusten ja videoyhteydellä. Mitattujen neuvottelukäyttäytymisen osatekijöiden reliabiliteetin ja validiteetin varmistamiseksi suoritettiin myös faktorianalyysi. Lisäksi suoritettiin riippumattomien otosten t-testi, jolla selvitettiin viestintätavan vaikutusta suomalaisten neuvottelijoiden käyttäytymiseen kansainvälisissä liikeneuvotteluissa.

Tulokset paljastivat, että käyttäytymisessä kasvokkain käydyissä neuvotteluissa ja videoneuvotteluissa oli tilastollisesti merkitseviä eroja seitsemässä neuvottelukäyttäytymisen 14 osatekijästä. Ensinnäkin näiden kahden viestintätavan välillä havaittiin tilastollisesti erittäin merkitsevä ero osallistujien henkilökohtaisessa tyylissä, neuvottelunopeudessa ja neuvottelutyytyväisyydessä. Lisäksi neuvottelun tavoitteessa, riskinotossa ja luottamuksessa havaittiin tilastollisesti merkitsevä ero ja emotionaalisuudessa tilastollisesti melkein merkitsevä ero. Muissa osatekijöissä ei havaittu tilastollisesti merkitseviä eroja. Käytännössä nämä havainnot osoittavat, että kansainvälisissä liikeneuvotteluissa olisi tärkeää ottaa huomioon viestintätapa ja sen vaikutukset neuvottelijoiden käyttäytymiseen.

AVAINSANAT: kansainväliset liikeneuvottelut, neuvottelun osatekijät, viestintätavat, kasvokkain neuvottelu, videoneuvottelu, suomalaiset neuvottelijat, COVID-19

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Abbreviations

Confirmatory factor analysis: CFA

Face-to-face: FTF

Face-to-face international business negotiation: FTF-IBN

International business: IB

International business negotiation: IBN

Video international business negotiation: V-IBN

1 Introduction

Due to increased globalization and intense competition, an increasing number of companies have embarked on international business (IB; Ali et al., 2021; Nguyen et al., 2016). Face-to-face (FTF) negotiation is recognized as the most effective form of business because it enables the direct transfer of information and builds an authentic and confidential atmosphere between the parties (Denstadli et al., 2012, p. 66). However, since the outbreak of the COVID-19 pandemic, companies around the world have restricted FTF communication and negotiation and have been forced to adapt their business model to video platforms to reach customers (Ratten, 2020, p. 633). Various video tools have emerged to facilitate business-to-business video negotiation in IB and support leaders toward success in virtual collaboration (Caligiuri et al., 2020, p. 707).

The switch from face-to-face international business negotiations (FTF-IBNs) to video international business negotiations (V-IBNs) has globally accelerated since the outbreak of COVID-19 in December 2019. The growing popularity of video negotiation is exemplified by Zoom, whose daily users increased from 10 million in December 2019 to 300 million in April 2020 (Backlinko, 2022). Furthermore, Zoom´s corporate customers increased from 81,900 in January 2020 to 504,900 in July 2021 (Backlinko, 2022). Simultaneously, the number of active users on the Microsoft Teams platform increased from 75 million in 2020 to 270 million in 2022 (Business of Apps, 2022). In the third quarter of 2021, Microsoft switched from reporting daily to monthly active users (Statista, 2022).

Although video negotiation has become an increasingly acceptable and common practice among IB negotiators, Denstadli et al. (2012, p. 66) emphasized that comparative empirical studies on FTF-IBNs and V-IBNs are scarce. There are sufficient grounds for the research topic considering that organizations spend an average of 15% of their time (Mankins et al., 2014, p. 76) and managers almost 23 hours per week on negotiations (Perlow et al., 2017, p. 64). In particular, Ivanovski and Gruevski (2014, pp. 173–174) demonstrated that time savings are associated with video negotiation when travel is reduced, leaving management and personnel more time to use resources for other, more

productive work. However, they noted that a lack of physical presence, limited visibility, and technology issues in video negotiation present challenges to trust building between negotiators. Therefore, Denstadli et al. (2012, p. 71) emphasized that the question is not whether V-IBNs should replace FTF-IBNs but rather which variables influence the choice of communication mode.

1.1 Background of the study

Prior research has extensively investigated culture´s impact on IB negotiators´ behavior from different countries (Metcalf et al., 2006; Salacuse, 1998; Schwarz, 2019; Zenad, 2021). For example, Salacuse (1998) surveyed 310 respondents, including business executives and other professionals from 12 countries, to examine the impact of culture on 10 elements of negotiation behavior. He found significant differences in negotiation tendencies between negotiators from different countries. However, little is known regarding the impact of communication mode (FTF vs. video) on the 10 elements of negotiation behavior in international business negotiations (IBNs). Previous studies have investigated the choice of the communication method (i.e., FTF vs. video) in IBNs (Denstadli et al., 2012; Geiger, 2020) and their advantages and disadvantages (Denstadli et al., 2012; Galin et al., 2007). Due to these different advantages and disadvantages, it is essential to explore the impact of communication mode on the negotiation tendencies of IB negotiators.

This research problem is topical, as corporations that engage in IB must consider which method to use in business negotiations. The Global Business Travel Association (GBTA; 2020) reported that the scale of the COVID-19 pandemic potentially reduced the business travel industry´s global revenue by $820.7 billion in 2020. Moreover, the GBTA (2021) estimated that global spending on business travel would only return to the pre-COVID level of $1.4 trillion in 2024. According to Caligiuri et al. (2020, p. 700), the pandemic has affected international business travelers, reduced business travel as negotiations have moved to a virtual environment, and led to additional uncertainty. For example, Julsrud et al. (2012, pp. 397–398) reported that video negotiation could decrease business travel

and complement traditional FTF negotiation. Thus, Denstadli et al. (2012, p. 86) underlined that, although video negotiation saves time and reduces travel stress, FTF negotiation is still needed, as it facilitates the development of business relations through informal discussions.

Furthermore, Andres (2002, p. 46) argued that a project team´s productivity could decrease if communication is only handled through video connections compared to an FTF negotiation team. Therefore, companies must evaluate the method used to conduct business negotiations and calculate its economic effects based on the negotiations´ results. For example, U.S. companies that invest one dollar in business travel achieve approximately $12.50 in turnover and $3.80 in profit (Oxford Economics, 2009). Therefore, companies that conduct IB should assess which negotiation channel is needed at any given time and its impact on negotiators´ tendencies (i.e., behavior) and negotiation outcomes.

1.2 Research gap

As IBNs have shifted from FTF to video platforms, it is worth examining the effect of communication mode on IB negotiators´ negotiation tendencies. Considerable research has focused on the impact of culture on Finnish negotiators´ negotiation tendencies in FTF negotiations (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021) and the advantages and disadvantages of FTF versus video negotiations (Denstadli et al., 2012; Galin et al., 2007). Nevertheless, little attention has been paid to the effects of FTF and video platforms on the elements of negotiation. However, Altis (2022) presented new information on the influence of the communication mode on the elements and tactics of the negotiation behavior of Finnish negotiators in FTF-IBNs and V-IBNs. After the outbreak of the COVID-19 pandemic, companies in Finland and around the world adopted video negotiation in IB. Therefore, Finnish companies must enrich their understanding of the influence of communication methods on negotiators´ tendencies.

1.3 Research question and objectives of the study

The main objective of this research is to explore the role of communication mode on the negotiating elements of Finnish negotiators involved in IBNs. Accordingly, the main research question is as follows:

What is the impact of communication mode (face-to-face vs. video) on Finnish negotiators´ international business negotiation elements (i.e., tendencies)?

To answer this research question, the specific sub-objectives were formulated for this study:

1. *To increase understanding of the conceptualization, process, and elements of IBNs*
2. *To study the conceptualization, characteristics, advantages, and disadvantages of FTF negotiation and video negotiation*
3. *To explore the role of communication mode on the negotiating elements and tendencies of Finnish negotiators involved in IBNs*

1.4 Delimitations of the study

There are six delimitations of this study that should be considered. First, this study borrows from and extends the 10-element model proposed by Salacuse (1998). Salacuse´s (1998) model was chosen because it can be used to analyze the behavior of negotiators comprehensively, and the constructs proposed in the model are measurable. Second, although culture affects IBNs, it was not included as a variable in this study to ensure its feasibility. However, culture was included as a background factor to understand the behaviors of Finnish negotiators. Third, this study is limited to Finnish negotiators involved in IBNs. Fourth, quantitative online survey data was collected from respondents. However, I encourage future researchers to collect qualitative data to analyze the behavior of IB negotiators in greater depth. Fifth, the sample size (i.e., 28 respondents) was small.

Thus, the results cannot be generalized. Therefore, data should be collected from a larger sample size of participants in future research. Finally, the study is limited to two negotiation modes (i.e., FTF and video) in IBNs. The study does not consider other methods to conduct IBNs, such as emails, instant messaging platforms, telephone calls, computer-assisted communication, and using artificial intelligence (AI) in negotiations.

1.5 Definition of key terms

Table 1 summarizes the definitions of key terminologies used in this master´s research. The list includes international business negotiations, communication modes, negotiation elements, face-to-face negotiation, and video negotiation, which serve as the study´s conceptual framework.

Table 1. Definitions of key concepts covered in the study.

Key concepts	Definition	Source
International business negotiation	A voluntary give-and-take procedure in which both parties adjust offers and expectations to influence the outcome of the negotiation	Ghauri (2003a, p. 3)
	A problem-solving or decision-making process between two or more parties	Luo (1999, p. 141)
Communication mode	Communication modes are divided into six themes: linguistic, visual, sound, gestural, and spatial, which collectively form multimodal meaning	The New London Group (1996, p. 83)
Negotiation element	Salacuse identified 10 elements of negotiation behavior influenced by culture (i.e., negotiation goal, attitudes, personal style, communication style, time sensitivity, emotionalism, agreement form, agreement building, team organization, and risk-taking)	Salacuse (1998)
Face-to-face negotiation	Traditional negotiations take place simultaneously and in the same place, and the parties can communicate using direct and indirect signals	Purdy and Nye (2000, p. 164)
Video negotiation	Negotiations on video platforms are simultaneously synchronized in different locations	Stein and Mehta (2020)

1.6 Previous studies

Table 2 summarizes previous studies on the impact of culture on IBNs that are discussed in this study. It includes the studies´ authors, focus, methodology, theoretical roots, and main findings.

Table 2. Previous studies on the impact of culture on business negotiations.

Author(s) and year	Focus	Methodology, sample size, data analysis, and location	Theoretical roots	Main findings
Salacuse (1998)	Identify elements of the negotiation process affected by cultural differences and determine how the elements are reflected in different cultures	– Quantitative research – Questionnaire (*n* = 301) – Argentina, Brazil, China, France, …Germany, India, Japan, Mexico, …Nigeria, Spain, the United King- …dom, and the United States	Elements derived from studies by Salacuse (1991), Weiss (1994), and Moran and Stripp (1991)	Definition of 10 elements of negotiation influenced by a person´s cultural background
Ghauri (2003a)	Create an international business negotiation model that includes elements that influence the process	– Systematic literature review	Ghauri´s (1986) framework of the international business negotiation process	Three groups of variables in the international business negotiation framework: 1) Background factors 2) Atmosphere 3) Process
Bird and Metcalf (2004)	Test the relationship between Hofstede´s cultural values and dimensions of negotiation	– Systematic literature review – Brazil, China, Japan, Germany, _ Mexico, and the United States	Hofstede´s cultural values dimensions framework by Weiss and Stripp (1985)	Strong support for four out of 12 hypotheses and moderate support for six hypotheses
Metcalf et al. (2006)	Identify differences in negotiations in five countries and determine different dimensions between countries	– Quantitative research – Questionnaire (*n* = 1,189) – Comparative analysis – Finland, India, Mexico, Turkey, _ and the United States	Salacuse (1998)	Significant differences in negotiation approaches between and within cultures
Manrai and Manrai (2010)	Address shortcomings of previous frameworks and create a new conceptual framework with key elements from research in the field	– Systematic literature review	Cultural frameworks by Hall (1959, 1960, 1976, 1979, 1983) and Hofstede (1979, 1980, 1984, 1991, 2001)	New framework divided into six structures: three negotiator characteristics and three negotiation behaviors
Schwarz (2019)	Study the influence of Generations X and Y on international business negotiation behavior	– Quantitative research, – Questionnaire (*n* = 574) – Confirmatory factor analysis and independent samples *t*-test – Germany, Finland, and Pakistan	Hofstede´s cultural dimensions theory (1992) and Salacuse (1998)	Significant differences observed between Generations X and Y in terms of cultural values and negotiation behavior
Zenad (2021)	Study the influence of Generations X, Y, and Z on international business negotiation behavior in Finland	– Quantitative research – Questionnaire (*n* = 141) – One-way ANOVA – Finland	Hofstede (1992), Salacuse (1998), and Schwarz (2019)	Significant differences found in nine out of 10 elements of negotiation between Finnish Generation X, Y, and Z negotiators
Altis (2022)	Determine the role of communication mode on negotiation elements and tactics among Finnish negotiators in international business negotiations	– Quantitative research – Questionnaire (*n* = 25) – Confirmatory factor analysis and independent samples *t*-test – Finland	Salacuse (1998), and international business negotiation tactics	Significant differences observed between face-to-face and video negotiations in terms of negotiation goal, personal style, emotionalism, risk-taking, trust, and information exchange tactics

1.7 Structure of the study

This thesis is divided into five chapters. The introduction presents the effects of the change brought about by the COVID-19 pandemic in the transition of international business negotiations from FTF negotiations to video negotiations. In addition, the background of the study is explained based on previous studies on the negotiation behavior of IB negotiators. It then introduces a research question, objectives, and a theoretical framework for IBNs. In addition, the chapter specifies research limitations and key terms, as well as a list of previous research on the topic. Finally, it explains the structure of the study.

The second chapter presents the literature review. Theoretical aspects are divided into three sections. The first section presents the literature on IBNs in three parts: definitions of negotiations, the process of negotiations, and the elements of negotiation based on Salacuse´s (1998) model. The second part defines FTF and video negotiation and their advantages and disadvantages. The third part specifies different modes of communication used and the characteristics of Finnish IB negotiators.

The third chapter details the research approach and methods and justifies the implementation of the research as a quantitative study. Then, it describes the survey methods and the data collection process, followed by operationalization variables. In addition, the chapter defines the evaluation of the study´s reliability and validity. The fourth chapter presents the empirical results of the confirmatory and independent samples *t*-test analyses. It links the results to the proposed theoretical framework and tests the formulated hypotheses. Moreover, differences in FTF and video negotiation tendencies are evaluated and compared. Finally, the discussion and conclusion chapter introduces the main findings from the study, including the theoretical contributions and implications for the management of companies involved in IB. Lastly, future research recommendations are provided to promote the development of IBNs.

2 Literature review

The literature review was approached by focusing on the IBN process, FTF and video negotiations, and the negotiation behavior of Finnish IB negotiators. The most common databases used were EBSCO, Emerald Insight, Oxford University Press, ProQuest, SAGE Journals, Science Direct, Springer Link, Taylor & Francis Online, and Wiley Online Library. The main keywords used in the database search were international business, negotiation process, face-to-face and video negotiation, communication modes, negotiation culture, attitudes, time sensitivity, emotionalism, trust building, negotiation satisfaction, risk-taking, negotiation speed, information sharing, and Finnish business negotiation culture.

This chapter introduces the theoretical aspects of the research and is divided into three sections. The first section covers the following aspects of IBNs: definitions of IBN, the process of IBN, and elements of IBN using Salacuse´s (1998) model. The second section describes the conceptualization of FTF and video negotiations and presents the advantages and disadvantages of these modes. Finally, the third section describes different communication modes and examines the effect of negotiation methods on the behavior of Finnish IB negotiators. The chapter concludes with the hypotheses developed for the study and the conceptual framework derived from them.

2.1 International business negotiation

In IBN, priorities can be distinguished and defined to differentiate between general communications and business negotiations. According to Ghauri (2003a, p. 3), there is no need to plan the outcome of negotiations or the negotiation process in everyday communication between different business stakeholders (e.g., between an employer and employees), as is necessary for business negotiations. By contrast, business negotiations are carefully prepared, designed, and negotiated because the stakes are higher than in everyday negotiations. He concluded that parties negotiate because they believe the process may affect the likelihood of reaching a better outcome before accepting or rejecting the other party´s offer. Reynolds et al. (2003, p. 236) noted that the failure of

international negotiations has negative consequences, such as limitations on firm capacity and revenue potential, increased sunk costs, and decreased motivation for negotiators who lead IBNs.

Negotiators who conduct IBNs should have a broader understanding of the negotiation process. Ghauri (2003a, p. 5) indicated that cultural differences provide difficulties for negotiators since they must be able to evaluate these disparities while remaining adaptable throughout the negotiating process. Therefore, Reynolds et al. (2003, p. 236) underlined that IB negotiators must have more skills and expertise than domestic negotiators. Ghauri (2003a, p. 4) further argued that external factors influence the negotiation process, especially cultural factors. The latter include cultural differences between countries and differences between organizations, which vary according to the company´s country of operation and industry. Accordingly, individual differences are affected by different cultural and organizational backgrounds and the professional differences of those involved in negotiations (Ghauri, 2003a, p. 5).

2.1.1 Definitions of international business negotiation

Several scholars have provided similar definitions of the concept of IBN. For example, Luo (1999, p. 141) claimed that negotiations take place between two or more parties in problem solving or decision making. Negotiations between companies from two or more countries involve a complex interaction process that seeks to define the interdependence between parties. Ghauri (2003a, p. 3) highlighted that the term “bargaining” is sometimes used in the definition of negotiation to indicate that these terms are interchangeable. However, he clarified that bargaining refers to a bazaar activity, which he called a competitive bargain that seeks to maximize one´s benefit at the expense of another, also known as win-lose negotiations. By contrast, Ghauri (2003a, p. 4) emphasized that negotiations can be called an interactive bargain in which both parties benefit and are a process in which a solution to a common problem can be sought; he referred to this style of negotiation as “win-win negotiations.” However, the latter does not

necessarily result in achieving a common goal. As a result, Ghauri (2003a, p. 4) identified four characteristics of interactive negotiation:

1) The flow of information between the participants is open, and the parties recognize their objectives, considering the other´s goals.
2) Finding a solution satisfies the goals of both parties.
3) Both parties are aware of similar and conflicting objectives and must work together to achieve common and complementary goals that they can accept.
4) Both parties try to understand each other´s perspectives to achieve their goals.

2.1.2 International business negotiation process

Attempts to create a unified framework for the process of IBN and the effect of culture on the process have been widely discussed in previous studies (Brett, 2000; Calantone et al., 1998; Ghauri, 1986; Ghauri, 2003a; Graham, 1985a; Graham & Lin, 1987; Phatak & Habib, 1996; Reynolds et al., 2003; Simintiras & Thomas, 1998; Ting-Toomey & Kurogi, 1998; Tung, 1988; Weiss, 1993). Graham and Lin (1987) and Graham (1985a, p. 131) introduced a framework of endogenous and exogenous factors that affect negotiation outcomes. Endogenous constructs are factors defined before the beginning of the negotiation, whereas negotiators´ characteristics and the circumstantial constraints that affect the process and the outcome form the exogenous construct variables. However, Ghauri and Fang (2003, p. 415) indicated that Graham and Lin´s (1987) framework lacks a post-negotiation element.

Tung´s (1988) negotiation framework is based on five dimensions: environment, situational negotiation, the negotiator´s personality, strategic choices and development, and agreement. Weiss (1993, pp. 275–276) proposed a framework for IBNs divided into three elements, i.e., the relationship and behavior of the parties and the influencing conditions (RBC). Phatak and Habib (1996, pp. 30–31) established a context in which immediate and environmental conditions influence international negotiations. Negotiators cannot influence the environmental context; instead, they have control over elements in the

immediate context. Calantone et al. (1998, p. 21) developed an IBN framework based on organizational and negotiator characteristics, cultural context, views of the partner´s problem-solving behavior, and negotiator satisfaction. Simintiras and Thomas (1998, p. 12) introduced a model for the IBN process divided into two phases; an interaction unrelated to the task and an interaction related to the task. Key aspects of IBNs were also included in Ting-Toomey and Kurogi´s (1998, pp. 209–211) model, which was based on face maintenance theory in intercultural conflict, and Brett´s (2000, pp. 101–102) framework, in which culture and negotiation processes are central. Building on the previous discussion, Reynolds et al. (2003, pp. 249–250) concluded that the factors that affect IBNs lack a common theoretical framework.

Therefore, Ghauri´s (2003a) framework of IBNs was used in this study to provide an overview of the process. The framework introduces variables that affect the negotiation process and describes its different aspects, which enables a deeper understanding of the process because the factors are the same regardless of culture. Thus, explaining the negotiation process contributes to knowledge about factors that influence the behavior of IB negotiators and the professional development of effective global negotiators. In conclusion, the IBN model presented by Ghauri (2003a) was applicable to and consistent with this study´s research framework.

Ghauri (2003a, p. 5) divided his IBN process framework according to three variables to develop the definition of IBN: background factors, atmosphere, and the negotiation process (see Figure 1). He explained that the progression of the process might impact the alteration of background variables. The following sections present the variables in greater depth, starting from background factors.

2.1.2.1 Background factors

According to Ghauri (2003a, p. 5), background variables can positively or negatively impact the negotiation environment, process, and stages. He asserted that the positive effects of the negotiation process include increased speed and efficiency, while the

adverse effects include delays. In addition, Ghauri highlighted that the impact of one variable might be beneficial at one stage of the process, but the effect of another variable may be harmful at the same stage. There are four categories of background factors: objectives, the environment, third parties, and negotiators.

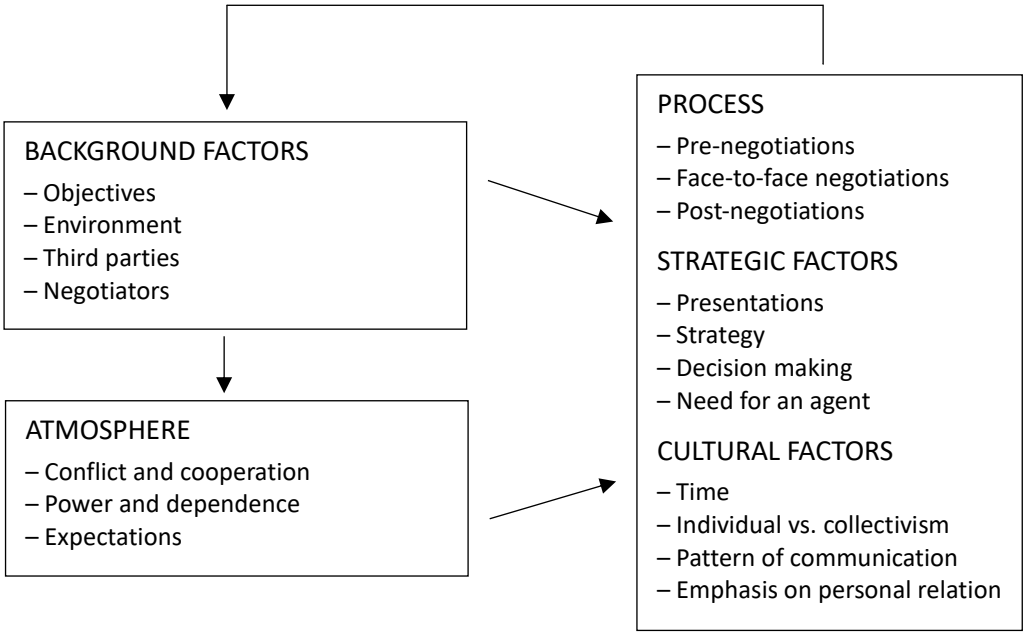

Figure 1. International business negotiation process (Adapted from Ghauri, 2003a, p. 9).

Objectives refer to the final stage of negotiations that each party wants to reach. Ghauri (2003a, p. 5) distinguished between common, conflicting, and complementary objectives. He clarified that common and complementary goals´ direct and positive effects on the negotiation process are widely acknowledged. By contrast, conflicting goals adversely affect the negotiation process and hinder the likelihood of a positive outcome because one party´s profit represents a cost to the other.

For example, Saner (2003, p. 58) explained that the interests of parties willing to cooperate are more aligned because they work toward a common objective. By contrast, if there are few joint interests between parties, this will negatively affect cooperation in negotiations. Geiger (2020, pp. 234–236) demonstrated that previous findings have been inconsistent with regard to financial profits. He divided profits into three categories:

individual profits, joint profits, and profit diversification. In some cases, FTF negotiations yielded the highest financial profits. However, in all categories, communication without physical presence achieved either higher or lower profits, and some results showed no difference in the distribution of the profits between different modes of communication.

Environmental factors have been extensively discussed in previous studies (Kashlak, 1998; Luo, 1999; Mayfield et al., 1998; Reynolds et al., 2003; Snavely et al., 1998; Tinsley et al., 1999; Tung, 1991), which supports Ghauri´s (2003a, p. 6) view that political, social, and structural elements may affect both parties in the negotiation. He explained that political and social factors in the negotiation environment directly affect the negotiation process, as the factors are influenced by cultural differences that can hinder progress. Moreover, the atmosphere is influenced by the market position of each negotiating party, as one party´s monopolistic position affects bargaining power between the parties.

Luo (1999, pp. 154–155), Phatak and Habib (1996, pp. 32–33), Snavely et al. (1998, pp. 9–10), and Tung (1991, p. 38) demonstrated that political intervention from the local government was evident in some countries, which affected trust in the organization´s activities, commitments, and business rules. Tinsley et al. (1999, p. 6) supported Ghauri´s view by explaining that the following environmental factors must be considered in the international negotiation context: legal and political factors, foreign government intervention, general instability, and micro- and macro-level economic differences. Therefore, Kashlak (1998, p. 254) suggested that a multinational company adjusts its goals in an unstable market due to risks in the host country. For example, Gulbro and Herbig (1995, p. 32) found that companies in the service industry prefer to meet in their home country in international negotiations. However, this has not been found to produce a higher probability of success. As a result, Mayfield et al. (1998, pp. 23–24) emphasized that the choice of location is vital for pre-negotiations, especially if a win-win outcome is sought.

Third-party members in IBNs have been widely discussed in previous studies (Brett, 2000; Herbig, 1997; Martin et al., 1999; Snavely et al., 1998; Ting-Toomey & Kurogi,

1998), which stated that their involvement in IBN agreements is complex. Ghauri (2003a, p. 6) provided the example of a government whose complementary goals may include the possibility of additional employment, improved infrastructure, consideration of foreign exchange, and other potential cooperation between countries. Furthermore, third parties in IBNs, such as agents, consultants, interpreters, and translators, are used in different countries to increase the effectiveness of negotiations (Reynolds et al., 2003, p. 243). For example, Phatak and Habib (1996, p. 33) describe that a government agent can influence, in the background of negotiations, whether government regulations must be taken into account in business decisions.

Previous studies (Brett, 2000, p. 98; Herbig, 1997, p. 7; Martin et al., 1999, p. 66; Snavely et al., 1998, p. 10; Ting-Toomey & Kurogi, 1998, p. 196) have recommended increasing the efficiency of negotiations in different countries by utilizing a local consultant or mediator in an international environment. For example, it has been shown that stakeholders influence the course of IBNs by providing support and creating challenges (Weiss, 1990, p. 591). Brouthers and Bamossy (1997, pp. 302–303) found that key stakeholders can take a leading role in negotiations to replace the current management and in post-negotiations to reopen an already agreed international joint venture (IJV) contract. They further explain that the third party has decision-making power over the content of the final agreement, which allows them to minimize their involvement in the negotiation phase. In addition, it has been claimed that imperfection increases with the number of IJV players, which affects the goals of the negotiation and increases representation costs (Luo, 1999, p. 161). In summary, Black and Mendenhall (1993, p. 58) suggested that a third party can be used in conflict resolution.

Negotiators are the last background factor that affects negotiations. According to Ghauri (2003a, p. 6), the negotiators´ previous experience and ability influence the negotiation process. He also emphasized that the negotiators´ personality plays a role in the outcome of the negotiation, especially in stressful circumstances. Weiss and Stripp (1998, p. 59) explained that the success or reputation of negotiators could be used as a criterion

of negotiation skills, noting that these characteristics have a particular focus, given that some correspond to each other. In addition, Ghauri (2003a, p. 6) asserted that two constraints bind negotiators. First, negotiators seek to promote the success of all parties by increasing their opportunities for cooperation. Second, they attempt to maximize their objectives and ensure that the agreement benefits them. Reynolds et al. (2003, p. 243) supported Ghauri´s view of the influence of negotiators on the negotiation process. Their findings emphasized emotionality and negotiators´ communication skills, including the importance of foreign language skills, non-verbal expression, and direct and indirect styles.

Hall (1976, p. 91) proposed that communication style can be divided into a high and low-context culture. He explained that in a high-context culture, contextual cues are the primary and dominant way to convey communication rules such as body language and personal style. High-context cultures expressly lack written regulations. Instead, low-context cultures are those in which norms are clearly stated or written, and most communication is verbal. For example, Weiss and Stripp (1998, p. 59) described a negotiation team that fulfills all the required characteristics, such as negotiation skills, status, subject knowledge, and personal competence. In addition, they noted that when assessing group composition, the number of members may be culturally dependent.

Furthermore, Volkema (1998, pp. 227–228) identified that negotiators´ personal characteristics and behavior affect the outcome of negotiations. The characteristics, forms of communication, and content of negotiations have been studied in relation to different personality types (Kale & Barnes, 1992, p. 126; Luo, 1999, p. 149). In addition, it has been found that negotiators´ behavior is influenced by adaptability or combined with their perception of time (Ang et al., 2000, pp. 406–407). Regarding challenges in understanding different cultures, studies have focused on negotiators´ communication skills, such as knowledge of foreign languages, education level, and previous professional experience (Simintiras, 2000, pp. 49–50). Tsalikis et al. (1991, p. 38) demonstrated that, compared to a native accent, a foreign accent in English weakens negotiators´ credibility.

2.1.2.2 Atmosphere

Atmosphere is the second core variable in the IBN process. Ghauri (2003a, p. 7) presented the meaningful interaction between atmosphere and process, which influence each other at different stages of the negotiation; he emphasized that atmosphere is influenced by the parties´ behavior and the characteristics of the process. In addition, the parties´ perceptions of the negotiation atmosphere are more important than how it is in reality. Ghauri specified characteristics that influence the atmosphere of different stages of negotiation, dividing them into three categories: (1) conflict and cooperation, (2) power and dependence, and (3) expectations.

Conflict and cooperation are essential to the IBN process, as parties have the will to identify a solution to the negotiated issue (Ghauri, 2003a, p. 7). However, Ghauri explained that this creates challenges because when one party benefits from the outcome of the negotiation, the other party incurs costs. Reynolds et al. (2003, p. 246) confirmed that issues related to business negotiations, such as agreements and concessions, are linked to cultural differences. They also identified differences in negotiation behavior in terms of negotiation goals, whether negotiators seek a contract or a relationship, and whether the agreement is specific or general. Nguyen et al. (2016, p. 565) examined how cultures and ownership in different countries affect the resolution of disputes in international joint ventures. Their findings indicated that the adoption of coercive and problem-solving tactics was influenced by ownership control. In contrast, there was no significant correlation between ownership control and the legalistic method, and only control and minority status affected the use of the compromise strategy.

Ghauri (2003a, p. 7) clarified that the extent of a conflict or cooperation depends on the parties´ objectives and the stage of the process. Furthermore, he argued that when the other party is unknown, the risk of conflict increases due to misunderstanding its actions during the negotiation. For example, Morris et al. (1998, p. 741) demonstrated that the culture and social values influence the conflict resolution and cooperation strategy that negotiators are accustomed to. Ghauri (2003a, p. 7) concluded that cooperation and

conflict are on different sides of the balancing scale in the negotiation process and at different stages.

The relationship between **power and dependence** is the second factor that influences the atmosphere of negotiations. Ghauri (2003a, p. 7) demonstrated that it is tied to both parties´ actual dominance in the market and the availability of alternatives; thus, background variables can affect the relationship between power and dependence. Ghauri emphasized that the degree of dominance between the parties is correlated with the ability to govern the relationship. For example, Phatak and Habib (1996, p. 35) explained that the relationship between power and dependence affects negotiation strategy; as a result, the party with more power can make demands, while the weaker party must adapt. Therefore, Ghauri (2003a, p. 7) clarified that neither party is dependent on the other only when both parties perceive the level of power to be at the same level.

To examine the factors that affect the relationship between power and dependence among buyers and sellers, Inderst and Montez (2019, p. 47) created a model in which the parties could negotiate bilaterally and make local changes. They found that company size can be either a strength or a weakness when negotiating more favorable trade terms. As a company grows; thus, does the interdependence between the parties; thus, changing business partners becomes less attractive. Ghauri (2003a, p. 8) noted that there is an imbalance of power when one party depends on the other or when the other party is assumed to have more power. Therefore, Hansen and Rasmussen (2013, p. 664) explained that the relationship between power and dependence is not static but dynamic in accordance with future cooperation. For instance, a vendor can contribute to the positive development of a relationship by demonstrating credibility, having unique knowledge, and adapting to changing markets (Hansen & Rasmussen, 2013, p. 663).

Expectations are the third factor that influences the atmosphere of negotiations. Ghauri (2003a, p. 8) distinguished between long-term and short-term expectations. Long-term expectations focus on a business partner´s future potential and values. For example,

Phatak and Habib (1996, p. 36) divided negotiation outcomes into tangible results such as profit sharing and intangible results such as goodwill. In addition, they stated that the effects of the expected and achieved results in the negotiations on the short-term vs. long-term business relationship must be considered because long-term cooperation is required to achieve tangible results. Ghauri (2003a, p. 8) explained that the possibility of an agreement increases when the negotiating parties have similar long-term expectations aligned with the negotiations´ primary objectives.

In previous studies, factors that affect negotiation expectations have been linked with business success and the level of connection building (Kale & Barnes, 1992, p. 123; Luo, 1999, pp. 160–161). Ghauri (2003a, p. 8) noted that parties only participate in or continue negotiations if they lead to better results. Therefore, expectations change and evolve at different stages and thus affect the negotiation process. He further argued that short-term expectations involve weighing the benefits of current trade. Luo (1999, p. 160) emphasized that successful negotiation lays the foundation for cooperation and long-term success and performance. In summary, Tinsley and Pillutla (1998, p. 722) demonstrated that, in IBNs, culture leads some negotiators to be satisfied when expected profits are maximized, while others are more satisfied with parity of results.

2.1.2.3 Process

The negotiation process is the third essential variable in IBNs. In Ghauri´s (1986, p. 72) framework, the negotiation process was previously divided into five different stages. Later, Ghauri (2003a, p. 8) divided the process into three stages: (1) pre-negotiation, (2) FTF negotiation, and (3) post-negotiation. The stages refer to the parties´ activities and communication in a particular setting, which change when they decide to move on to the next step or state that there is no possibility of continuation and end the negotiation. At the pre-negotiation stage, the parties seek agreement and consider each other´s requirements. This is followed by the FTF negotiation phase. Finally, in the post-negotiation phase, the parties have agreed on the negotiated issues and are ready to sign the contract after approval of the form of the contract.

Pre-negotiations are the first stage in the negotiation process and have been discussed in previous literature (Cavusgil et al., 2013; Ghauri, 2003a; Saner, 2003). According to Ghauri (2003a, pp. 8–9), pre-negotiation begins with the parties´ first contact, which indicates a willingness to cooperate and make preliminary proposals. Furthermore, the dynamism of the process emerges at an early stage when there is an understanding of the needs of both parties; moreover, the benefits of participating in the negotiation are considered. In addition, when the requirements of both parties are understood at an early stage, and the advantages of participating in the negotiations are considered, the dynamism of the process emerges. Saner (2003, p. 51) suggested that strategy and tactics are developed in the pre-negotiation phase while considering the other party´s needs and what can be offered.

Ghauri (2003a, p. 9) asserted that parties seek information about each other and the factors that affect the environment in which they operate. For example, as McCall (2003, pp. 225–226) described, the seller may notice in the pre-negotiation phase that the buyer is attempting to take advantage of a particular negotiation element by emphasizing and leveraging it to ensure that it occupies an important position on the negotiation agenda and thus achieve a better price. In addition, changes in the relative power balance between the parties may occur during the process as a result of factors such as competitors or exchange rate fluctuations. Therefore, McCall emphasized that one challenge in the negotiation process is to define the negotiation agenda to be jointly solved. Ghauri (2003a, pp. 9–10) stated that this requires each party to commit to the other party´s goals and expectations honestly.

Informal pre-negotiation meetings are often more essential than formal negotiations (Ghauri, 2003a, p. 10). According to Usunier (2003a, p. 125), the level of formality with partners should be considered because members of a formal culture may adopt more informal behavior in discussions outside of negotiations. Ghauri (2003a, p. 10) clarified that social ties between parties could be helpful, as the trust they build is more likely to help them reach an agreement. Hence, these informal meetings prioritize understanding

the other party´s priorities in the negotiations. As a result, the parties can establish a negotiating strategy for future FTF transactions at the pre-negotiation stage.

Face-to-face negotiation is the second stage of the negotiation process, in which different perspectives must be considered to make progress. Several studies (Adler et al., 1992; Brett, 2000; Brett et al., 2017; Calantone et al., 1998; Ghauri, 2003c; Ghauri & Usunier, 2003a; Phatak & Habib, 1996; Simintiras & Thomas, 1998; Weiss, 1993) provide support for Ghauri´s (2003a, p. 11) research, which highlighted that the important factor in negotiations is the parties´ perception that the problem can be solved, given their possible opinions on the topic and the outcome. In FTF negotiation, the parties should have various options available to move the negotiation forward and keep an open mind. The main goal of this phase is to approach the parties and explore differences in expectations and views. Therefore, Phatak and Habib (1996, p. 37) suggested that the parties must be prepared to react to new needs by openly interacting with each other and attempting to identify solutions to various negotiation issues.

Ghauri (2003a, p. 11) explained that the negotiation process is dominated by the party that sets the agenda for negotiations because it can highlight its strengths and the other party´s weaknesses. Negotiations can be advanced by discussing and agreeing on broader issues first or progressing one issue at a time towards an agreement. Therefore, the chosen strategy is influenced by the other party in the negotiation, and it would be beneficial to identify its strategy in a timely manner to formulate one´s strategy accordingly. For example, Brett et al. (2017, p. 288) suggested that, depending on the culture, negotiators may rely on the question and answer strategy, which is associated with high trust and mutual benefits. In contrast to others who may use the associated substantiation and offer strategy, which is associated with low trust and low mutual benefits. Brett et al. (2017, p. 291) clarified that the substantiation and offer approach includes logical arguments and emotional and influence strategies, such as threats and disputes. Instead, the questions and answers focus on cooperation, sharing information, and

solving problems. In addition, Calantone et al. (1998, p. 30) found that company representatives with a collective culture value problem-solving behavior in negotiations.

Ghauri (1986, p. 76) argued that negotiators should not agree at the initial stage even if there is a possibility, considering the following effects on the negotiation process. First, extending the contract´s conclusion enables further concessions to be obtained from the other party. Second, negotiators must demonstrate that they are putting time and effort into agreements. Finally, the party that submits the last proposal at the beginning of negotiations is at a disadvantage. Conversely, Fisher et al. (1991, p. 143) indicated that deliberate delay tactics might adversely affect the negotiation process. In such cases, the negotiating partner may seek alternatives with a third party if opportunities to reach an agreement fade. Ghauri (2003a, p. 12) indicated that international negotiations require a discussion of different cultural and corporate traditions because the parties may have difficulty understanding and adapting to a foreign culture. Thus, it is worth familiarizing oneself with them in advance.

Participants should also maintain credibility while demonstrating flexibility to advance the negotiations. Ghauri (1986, p. 77) stated that a balance between credibility and strength is necessary and that the parties´ challenge is to move forward without compromise at the beginning of negotiations. Thus, the parties should receive and send messages when they can proceed to the next stage in the negotiations. Consequently, Fisher et al. (1991, p. 71) suggested that parties identify the factors that lead to mutual benefit. According to Ghauri (1986, p. 77), maintaining flexibility between parties is emphasized in negotiations over issues such as payment terms, price, and delivery time. Often, the stronger party does not have to make many concessions, while the weaker party must make them for the negotiations to progress and the atmosphere to remain positive (Ghauri, 2003a, p. 12). For instance, a better price may be offered in exchange for better payment terms (Ghauri, 2003a, p. 11). In conclusion, negotiators should keep long-term goals in mind; profit from the current trade is not the most important factor but rather access to new markets or the acquisition of a reference project (Ghauri, 1986, p. 77).

Post-negotiation is the third stage of the negotiation process and has been widely discussed in previous studies (Ghauri, 1986; Ghauri, 2003a; Ghauri & Fang, 2003; Weiss, 2003). It culminates in the signing of the agreement based on the negotiation, which follows terms agreed upon by the parties. However, before the contract is signed, it should be concluded in a language that both parties understand to avoid later conflicts (Ghauri, 2003a, p. 12). Moreover, it is beneficial to take the time needed to reach an agreement; if it harms the atmosphere of the other party, this may lead to new negotiations. Therefore, Ghauri (1986, p. 78) proposed a negotiation summary involving enumerating the concessions and contract terms to ensure that the parties understood what was agreed upon. Ghauri (2003a, p. 12) clarified that the negotiation summary should concern not only the written contract and its signing but also how the contract is implemented.

According to Weiss (2003, p. 358), parties can only evaluate the plan´s effectiveness and how effectively the terms of the agreement meet the original goals and parties´ evolving interests after the plan has been implemented. To illustrate contract implementation, Ghauri and Fang (2003, p. 428) explained problems in the implementation phase when the other party does not fulfill their agreed-upon obligations. Changes can lead to new rounds of negotiations in which previously agreed-upon issues are open for discussion. It is possible that negotiators were under pressure from a higher authority to make changes to the agreement based on changes in the local market. In Ghauri´s (2003a, p. 8) negotiation framework, the process variable includes two dimensions: cultural and strategic factors. These affect all three stages of the negotiation process, and their role varies according to the stage. These dimensions are presented in the following subsections.

Cultural factors are the second element of the negotiation process and have been extensively discussed in previous studies (Ang et al., 2000; Brett, 2017; Ghauri, 2003a; Hall, 1960; Hofstede & Usunier, 2003; Khakhar & Rammal, 2013; Manrai & Manrai, 2010; Salacuse, 1998; Usunier, 2003a; Weiss & Stripp, 1998). Ghauri (2003a, pp. 13–14) divided

cultural factors into four categories: time, individualism versus collectivism, communication patterns, and personal relationships.

Time is viewed differently around the world. Hall (1960, pp. 88–89) introduced cultural variations in people´s perception of the passage of time in cross-cultural business negotiations. He listed the following factors: schedules, whether the time is flexible or fixed, the effect of personal relationships on the work schedule, decision-making time, and reactions to delays and time constraints. Moreover, according to Salacuse (1998, p. 231), adherence to schedules and the length of negotiations have been mentioned as part of cultural concerns related to negotiation time.

For example, Ghauri (2003a, p. 13) asserted that, while time is considered valuable in Western culture, it does not have a similar significance in Asia, Africa, and Latin America. Thus, parties should minimize misunderstandings and frustrations during the negotiation process by obtaining prior knowledge of the other party´s attitude over time. Moreover, Ghauri (2003a, p. 21) explained that patience and time are essential for negotiators, as the negotiation process can take an extended period of time for reasons attributable to the other party. Therefore, negotiators must carefully discuss all issues to demonstrate their relevance in challenging and lengthy negotiations. Finally, a good negotiator determines the other party´s schedule for negotiations and allows sufficient time for the process.

With this in mind, Weiss and Stripp (1998, pp. 60–61) claimed that cultural differences affect the perception of time. In a monochronic culture, time is perceived as necessary; thus, punctuality is valued, and schedules are kept. In a polychronic culture, parties appreciate flexible schedules and use the time to develop relationships. For instance, Ang et al. (2000, p. 406) reported that a polychronic time orientation resulted in the lowest ratings for negotiators. By contrast, a monochronic time orientation was associated with the greatest flexibility and the most optimistic attitude. Khakhar and Rammal (2013, p. 585) found that, in some cultures, negotiators often take time to familiarize

themselves with the other party´s negotiators during the pre-negotiation phase. As a result, negotiations may take longer because these cultures value relationship building.

Individual vs. collective behavior is a behavioral characteristic that varies among cultures (Ghauri, 2003a, p. 13). According to Hofstede and Usunier (2003, p. 140), individualism and collectivism describe an individual´s degree of group integration. In an individualistic culture, people care for themselves without having solid bonds with others. By contrast, in a collective culture, individuals form strong bonds since childhood through their families. Therefore, in previous studies, negotiators from an individualistic culture have been shown to value individual rights, while collectivist negotiators have been found to value relationships (Bazerman & Curhan, 2000, p. 297).

Moreover, Nguyen et al. (2016, p. 566) demonstrated that partners with different cultural values may choose other conflict resolution techniques to solve problems. For example, parties from individualistic cultures tend to use problem-solving strategies, while parties from cultures that value uncertainty avoidance do not favor this tactic. For example, Morris et al. (1998, p. 741) found that the members of individualist cultures behaved competitively to manage conflicts, while members of collectivist cultures tended to be avoidant. Therefore, it is essential to understand the other party´s behavioral characteristics to develop a successful negotiation plan (Ghauri, 2003a, p. 13).

Patterns of communication vary in different cultures. Some cultures use an indirect and implicit communication model, while others use a direct and explicit communication model (Ghauri, 2003a, p. 13). Hall (1960, p. 77) argued that IB negotiators thrive when they consider cultural differences such as time, place, material possessions, personal relationships, and the language of contracts. Moreover, Ghauri (2003a, p. 14) highlighted that interpreting non-verbal communication is vital because it can benefit multicultural negotiations. In addition, awareness of non-verbal communication increases the efficiency of the negotiation process and the likelihood of a positive outcome.

Usunier (2003a, p. 119) stated that, in lengthy negotiations, a common negotiating culture should be established between the parties, leaving local culture in the background. He suggested that parties should agree on common standards and communication methods, identify intermediaries within each party, and jointly decide facts, solutions, and decisions. In conclusion, he argued that the approach is an informal solution between negotiators based on implicit communication, which depends on people who have worked together for a long time and have good interpersonal relationships.

Personal relationships are the last category of cultural factors, from which Ghauri (2003a, p. 14) explained how the level of valuing personal relationships varies in different cultures. Western cultures tend to focus on the future relationship between organizations and the issue under negotiation. However, in other cultures, the negotiator´s personality is perceived as more important than the organization represented by the negotiator. Usunier (2003a, pp. 133–134) explained that the importance of personal relationships should not be ignored, even if contracts are formally required in writing. In addition, societies where negotiated agreements are based on trust between negotiators and oral promises, must remember that it is difficult to gain trust in an individual who is not a representative of the same social group.

Phatak and Habib (1996, p. 36) explained that negotiators´ previous positive cooperation influences the parties´ relationship, which affects the outcome of the negotiations when both parties aim for a win-win solution. Usunier (2003a, p. 134) emphasized that trust between the parties should be regularly assessed and reviewed. To this end, Weiss and Stripp (1998, p. 61) suggested that the reliability assessment may include past evidence, instincts, external regulatory sanctions, and a particular contract. Thus, all or one of the factors mentioned above can be practical options for evaluating the trustworthiness of negotiations.

Strategic factors are the third element of the negotiation process and have been extensively discussed in previous studies (Campagna et al., 2016; Ghauri, 2003a; Ghauri & Fang, 2003; Khakhar & Ahmed, 2017; Saner, 2003; Usunier, 2003b). According to Saner (2003, p. 51), strategy guides the path that negotiators should take to achieve the goals set for the negotiation. If the approach is chosen incorrectly based on specific interests and purposes, the negotiation strategy was wrong from the beginning, which makes it challenging to achieve one´s goals. Similarly, Ghauri (2003a, p. 10) stated that the strategy should consider challenges, available solutions, desired options, and the other party´s wishes. Ghauri (2003a, p. 11) recommended that negotiators note issues, focus on controversial topics, develop tactics, create alternatives to multifaceted solutions, and consider both parties´ suggestions.

Moreover, Cavusgil et al. (2013, p. 265) underlined that the negotiators should consider various solutions before negotiation because developing new alternatives under pressure is challenging. With this in mind, Ghauri (2003a, p. 11) classified alternative solutions into four categories: (1) preferred, (2) desired, (3) expected, and (4) not acceptable. Cavusgil et al. (2013, p. 265) indicated that identifying various solutions strengthens one´s negotiating position by bringing a competitive advantage to the assessment of contract terms. In IBNs, the parties must carefully prepare for the plan, choose their negotiation approach, and consider the other party´s decision-making process. Ghauri (2003a, pp. 14–15) divided strategic factors into four categories: presentations, strategy, decision making, and agent need. The following sections present the strategic factors in more depth, starting with the presentations.

Presentations aim to demonstrate to the other party the company´s reliability in business by presenting the quality and price of products or services, according to Ghauri and Fang (2013, pp. 422–423). In addition, they emphasize that an essential step before formal negotiations is the presentation of the members of the negotiation team to potential partners. Ghauri (2003a, p. 14) explains that negotiators must know whether presentations are held formally or informally and consider whether they are presented as a

group or individually. In addition, attention must be paid to how the presentation is conducted, if its content is argumentative or informative, and the amount of information shared. Because countries have different presentation styles, choosing the right style can help negotiators prevent issues at the beginning of negotiations. For instance, Pendergast (1990, pp. 135–136) listed the five factors in creating a negotiation presentation: scope, order, framing, packaging, and formula. Ghauri and Fang (2003, p. 423) described a Western firm´s negotiations with a Chinese client; the firm´s negotiators had to present the offer to several authorities in anticipation that a new team might replace the counterparty´s negotiating team. Thus, negotiators had to repeat a presentation on the same topic several times.

Strategy is another factor that negotiators in IBNs should consider. Ghauri (2003a, p. 14) asserted that the most important strategy styles are hard, soft, and intermediate. A hard strategy is focused on making a high first offer with no compromises and then waiting for the opposing side to respond with the first concession. A soft strategy is based on a compromise made without a high offer and an expectation of reciprocity from the counterparty´s negotiators. In an intermediate negotiation strategy, the first high offer is not made to the other party; instead, a reasonable offer is expected from the other party, which can be immediately accepted.

Furthermore, Ghauri (2003a, p. 15) emphasized that negotiators must be aware of the other party´s strategy to adapt their approach and prepare an appropriate counteroffer. At the same time, negotiators should be aware that negotiations may ultimately be unfavorable or fail. Therefore, Ghauri and Usunier (2003a, p. 468) highlighted the possibility of terminating negotiations without agreeing on a contract because discrepancies and differences of opinion between the parties remain unresolved. Consequently, the strategy should also include measures that the parties choose not to take. Reasons to leave a negotiation may include changes in the initial situation, changes in key personnel, and differences in corporate culture between the negotiating partners (Ghauri & Usunier, 2003a, p. 469).

As part of **decision making** in negotiations, different perspectives should be considered in advance. According to Ghauri (2003a, p. 15), it is essential to note the decision maker in the other party, whether participants in the negotiation have final decision-making power over the contract, and whether the other party´s decision making is impulsive or rational. Ghauri (1986, p. 80) explained that, in some countries, the other party expects a negotiator of the same organizational level. For example, the other party´s chief executive officer (CEO) expects their counterpart also to send a CEO to the negotiations.

Raven (2008, p. 4) stated that the source of legitimate power is part of a social norm that requires the affected party to adhere to the influencer´s demands. Furthermore, Raven clarified that legitimate power derives from a social standard of obedience being shown to those of higher formal or informal social status, such as superiors, which influence subordinates. Khakhar and Ahmed (2017, p. 35) further asserted that legitimate power could be exercised in negotiations; for example, position-based power may be utilized when a higher-level business leader has power over those below them. Therefore, Khakhar and Ahmed (2017, pp. 42–43) highlighted that the irresponsible exercise of legitimate power on the part of senior management could be detrimental to people of certain nationalities. Conversely, if the legitimate use of power is positive, both parties would have favorable views of absolute power. Khakhar and Ahmed concluded that through the misuse of legitimate power, the distribution of its perception is possible.

The need for an agent is the last category of strategic factors. According to Ghauri (2003a, p. 15), an agent is sought when neither the firm nor the negotiators can handle negotiation on their own. This may occur when a company is inexperienced, has limited time, or undertakes several negotiations. Thus, a professional agent can be hired to assist in the negotiation. They can be involved throughout the process, while others participate only in the final stage. Especially when entering a new market, Ghauri (1986, p. 80) advised that an agent´s assistance be considered to formulate the strategy and obtain more information about environmental factors in the local market. Therefore, companies should consider hiring a local lawyer who is familiar with the local market.

In practice, the potential tasks assigned to an agent or a consultant and risks to which the company may be exposed must be considered. According to Usunier (2003b, p. 445), an agent´s duties may include providing confidential information about a customer, sharing data about competitors with a seller, sharing false information about competitors in favor of a seller, and identifying individuals who receive and redistribute illegal bribes. Ghauri (2003b, p. 374) explained that a challenge lies in assessing the local agent´s reliability and whether their information is accurate. Furthermore, Beaufort and Lempereur (2003, p. 322) indicated that there is a risk that agents will place their personal interests ahead of those of the client company. In summary, the relationship between an agent and a company may lead the agent to pursue their own interests because bribes are not formally contracted (Usunier, 2003b, p. 446). Therefore, agent fees should consider the possible success of negotiations by providing sufficient incentives and, in addition, the risk of failure or mistrust by preparing for further action towards the agent.

2.1.3 Salacuse´s model of the elements of negotiation behavior

Previous research has developed different models of how culture influences negotiations and communication (Hofstede & Usunier, 1999; Manrai & Manrai, 2010; Salacuse, 1998; Weiss & Stripp, 1998). Rammal (2005, p. 131) asserted that two pioneering studies, Hofstede and Usunier (1999) and Salacuse (1998), are considered the basis for research on the effect of culture on IBNs. These studies were based on a model developed by Weiss and Stripp (1985/1998) that describes cross-cultural differences based on 12 behavioral factors (Manrai & Manrai, 2010, p. 78). Subsequently, by building on their previous research and interviewing professionals in the field (Salacuse, 1998, p. 223), Salacuse presented 10 negotiation elements that impact an individual´s culture.

Bird and Metcalf (2004, p. 252) reported that Weiss and Stripp (1998) updated their 12-dimension framework into five categories and argued that Weiss and Stripp´s framework had not been experimentally validated through empirical studies. However, Metcalf et al. (2007, p. 148) indicated that comparative research in IBNs had been scarce when Weiss and Stripp developed their model. As a result, Bird and Metcalf (2004, p. 253)

refined Weiss and Stripp´s (1998) model, in which the bipolar continuum is redesigned to correspond to each dimension. In addition, the framework is tied to the negotiation and communication literature, corresponding to the goals and content of Weiss and Stripp´s framework.

The current study focuses on factors that influence the impact of culture on IBNs. Therefore, there are two main reasons why Salacuse´s (1998) framework was used as the basis for this research. First, as global cooperation increases, negotiators must be better-informed about their negotiation behavior (Manrai & Manrai, 2010, p. 93). Metcalf et al. (2006, p. 383) argued that, because negotiations sometimes take place in several countries with different cultures, negotiators must be informed about how the counterparty´s negotiators behave in a particular country. Therefore, Metcalf et al. acknowledged the need for systematic access to data through surveys to comprehensively compare negotiation trends in different countries. Second, they suggested that methodological comparison is necessary to assess global negotiation tendencies. Metcalf et al. (2006, p. 384) stated that Salacuse´s framework is the only model that has been empirically studied in its entirety.

The purpose of this study is also to reveal cultural factors other than those in Salacuse´s (1998) model that may influence the negotiation tendencies of IB negotiators. Four additional elements were added to the study, which were used to analyze negotiators´ negotiation tendencies in FTF and video negotiations: information sharing, negotiation speed, trust, and negotiation satisfaction. Salacuse (1998, p. 223) identified 10 elements in the negotiation process that are influenced by an individual´s culture, which was incorporated into the theoretical framework used in this study: negotiation goal, attitudes, personal style, communication style, time sensitivity, emotionalism, agreement form, agreement building, team organization, and risk-taking (see Table 3). A four-year study by Salacuse (1998, p. 224) tested the proposed approach to understanding different negotiation styles. The study targeted 370 business leaders, lawyers, and graduate students in North America, Europe, and Latin America, of which 310 were valid for the study.

Table 3. The impact of culture on negotiations (Adapted from Salacuse, 1998, p. 223).

Negotiation element	Range of cultural responses	
Goal	Contract ⟷	Relationship
Attitudes	Win-lose ⟷	Win-win
Personal style	Informal ⟷	Formal
Communication style	Direct ⟷	Indirect
Time sensitivity	Low ⟷	High
Emotionalism	Low ⟷	High
Agreement form	Specific ⟷	General
Agreement building	Bottom-up ⟷	Top-down
Team organization	One leader ⟷	Consensus
Risk-taking	Low ⟷	High

The negotiation **goal** is the first element of Salacuse´s model, and the two extremes on the continuum of cultural responses are a contract or a relationship between the parties. Salacuse (1998, p. 225) explained that the purpose of negotiations is perceived differently between cultures. For example, Sebenius (2002, p. 81) indicated that connections arise from transactions in contract-oriented cultures and from developing relationships between the parties in relationship-oriented cultures. Furthermore, Bird and Metcalf (2004, pp. 254–255) clarified that, in contract-oriented cultures, negotiators must enter into specific agreements, especially for projects that detail business resource management (including information on profit, control, and ownership relationships).

Cultures that value personal relationships primarily consider the business relationship between the parties to be the fundamental purpose of the negotiations, even if a written agreement is established (Salacuse, 1998, p. 226). Therefore, in these cultures, negotiators spend time building relationships by discussing how to work together and whether the parties have common long-term goals (Bird & Metcalf, 2004, p. 255). Moreover, the functions of business negotiations will merge and be resolved as the relationship between the parties develops.

Attitudes are the second element in Salacuse´s model, wherein the impact of culture on negotiations is seen as either a win-lose or win-win approach. According to Salacuse (1998, p. 227), a win-lose approach entails a confrontation in which one wins, and the other loses. The negotiator´s strategy is to pursue maximum benefit in accordance with their interests by utilizing various tactics, such as intimidation, making promises, or behaving neutrally to change the other´s attitudes (Bird & Metcalf, 2004, p. 253). In a win-win approach, the parties seek an agreement that leads to mutual satisfaction (Salacuse, 1998, p. 227). The parties perceive the process as cooperation in which problems are resolved. Therefore, mutual benefit is challenging to achieve without a common approach to problem solving between the parties (Ghauri, 2003a, p. 4). Bird and Metcalf (2004, pp. 253–254) added that information about issues is exchanged between negotiators with a win-win attitude to achieve a mutually beneficial result. Finally, an agreement does not represent a compromise but rather increases cooperation and understanding between both parties.

Personal style is the third element of Salacuse´s model. Culture influences whether the negotiator uses a formal or informal negotiation style. Salacuse (1998, p. 228) defined a negotiator´s personal style as the interaction with the other party, such as how to talk during negotiations, what title to use, how to dress, and refrain from discussing negotiators´ personal lives. Weiss and Stripp (1998, pp. 61–62) added that personal style is related to the organization´s official protocol with regard to social norms. Bird and Metcalf (2004, p. 260) explained that countries with a formal negotiating culture have a strict procedural protocol during negotiations. Formal culture extends to the rules that limit the behavior of negotiators, which must be strictly adhered to in the prevailing culture.

By contrast, an informal personal style is based on establishing friendly relations as soon as negotiations begin; thus, using first names is natural (Salacuse, 1998, p. 228). Moreover, according to Bird and Metcalf (2004, p. 260), negotiators with an informal personal style do not follow a precise protocol during negotiations. Thus, they may react in many

ways to different situations. Finally, Salacuse (1998, p. 228) emphasized that formal and informal terminology can vary between cultures. Therefore, he recommended beginning negotiations with a formal personal style and, when the situation allows, shifting to a more informal style.

Communication style is the fourth element in Salacuse´s model. Modes of communication can be divided into direct and indirect communication approaches influenced by culture. Adair et al. (2001, p. 380) made a distinction between communication styles in low- and high-context cultures. They indicated that using a direct or indirect communication style was culturally dependent. In cultures that favor indirect communication, negotiators use vague language, facial expressions, and other body languages (Salacuse, 1998, p. 230). In addition to spoken language, indirect communication requires negotiators to parse non-verbal communication to achieve an overall understanding of the conversation (Bird & Metcalf, 2004, p. 261). Indeed, Salacuse (1998, p. 230) asserted that, in cultures that use indirect communication, attempts should be made to interpret the other party´s reactions to suggestions made during negotiations in the form of non-verbal messages. By contrast, in cultures that favor a direct communication style, clear communication between the parties and the provision of unambiguous responses to suggestions are valued. Bird and Metcalf (2004, p. 261) added that cultures that use a direct negotiation style might not perceive indirect, non-verbal messages from the other party.

Time sensitivity is the fifth element in Salacuse´s model. The two extremes are high and low sensitivity to time, which are influenced by the negotiator´s culture (Salacuse, 1998, p. 230). In highly time-sensitive cultures, negotiators tend to set clear agendas and schedule negotiations, as they believe that solutions can be achieved within an allocated time window (Bird & Metcalf, 2004, p. 258). In addition, negotiators in highly time-sensitive cultures seek to distinguish between business and leisure. By contrast, in cultures with low time sensitivity, all time spent on negotiations is beneficial because building relationships is more important than adhering to strict, pre-determined schedules. Moreover, punctuality is not perceived as significant in these cultures, and it is not

necessary to reach an agreement within a specific time frame. According to Salacuse (1998, p. 231), 80% of survey participants appreciated high time sensitivity, whereas only 20% valued low time sensitivity. He suggested that the responses may have been influenced by culture (e.g., how respondents perceived the term “time sensitivity” and the potential impact of organizational culture on their reactions).

Furthermore, Usunier (2003c, p. 173) argued that the concept of time is related to the following factors: negotiation structure, negotiation strategy, process variables, and outcome (i.e., a contract or a long-term business relationship). According to Weiss and Stripp (1998, pp. 60–61), timeliness and the urgency of meeting deadlines are associated with a monochronic perception of time. On the other hand, the polychronic concept of time is related to the idea that plenty of time is available. Consequently, negotiators do not follow strict schedules, postpone solving problems to get to know the other party, and do not rush into decision-making.

Emotionalism is the sixth element of negotiations. It refers to how culture influences emotions during negotiations (Salacuse, 1998, p. 231). In cultures with high emotionalism, emotions are openly demonstrated, and appeals are made to the other party´s compassion through indirect arguments (Bird & Metcalf, 2004, p. 262). In cultures that value low emotionalism, personal feelings are not openly demonstrated (Salacuse, 1998, p. 231). Negotiators from such cultures base their arguments on facts and logical thinking and use the information provided by experts to persuade the other party (Bird & Metcalf, 2004, p. 262).

Agreement form is the seventh element of negotiations and influences the agreement between the parties. The two extremes are general and specific agreements. In general agreements, the content uses vague language and does not specify every possible detail (Salacuse, 1998, p. 232). Bird and Metcalf (2004, pp. 262–263) clarified that the agreement is seen as general guidance in some cultures because developing a cooperative relationship is more important. Even oral agreements are sometimes possible in such

cultures. In addition, personal trust is not based on a written contract but a verbal agreement between the parties (Usunier, 2003a, p. 131). Salacuse (1998, p. 232) stated that if problems arise between the parties, cultures that prefer general agreements value the relationship rather than invoking the contract. By contrast, in cultures that prefer specific agreements, the contract is carefully written, every detail is considered, and circumstances between the parties are anticipated. Bird and Metcalf (2004, p. 262) concluded that negotiators in such cultures use specific agreements to minimize risk and ensure stability for investments covered by the agreement. In general, Manrai and Manrai (2010, p. 90) stated that formal agreements are preferred in low-context cultures and that informal agreements are valued in high-context cultures.

Agreement building is the eighth element in Salacuse´s model. The extremes are bottom-up and top-down agreement building, which are influenced by the negotiators´ culture. Bottom-up agreement building is called the inductive model; negotiators begin to develop a contract by agreeing on details such as price, delivery times, and quantities (Salacuse, 1998, p. 233). In the top-down deductive model, agreement building starts with general principles and moves towards more complex issues (Salacuse, 1998, pp. 233–234). According to Manrai and Manrai (2010, p. 90), low-context cultures value bottom-up reasoning in agreement building. In comparison, high-context cultures tend to value top-down agreement building.

Team organization is the ninth element in Salacuse´s model. The two extremes are one-leader or consensus decision making. According to Salacuse (1998, p. 235), a single-leader culture emphasizes the individual; one leader has power over all decision making. By contrast, consensus cultures emphasize collaboration within a group, and the leader considers the opinions of other group members. Ghauri and Usunier (2003a, p. 463) recommended identifying the counterparty´s decision-making style and who exercises power over decision making. Negotiators should assess how their negotiation style matches the counterparty´s style and, if necessary, modify it to match the counterparty´s style. Bird and Metcalf (2004) found that societies with high levels of uncertainty

avoidance prefer consensus decision making, while cultures with low uncertainty avoidance prefer independent decision making.

Risk, the final element in Salacuse´s model, refers to the negotiator´s willingness to tolerate risk. Salacuse (1998, p. 236) stated that high-tolerance negotiators are willing to test negotiation methods that involve uncertainties. Bird and Metcalf (2004, pp. 258–259) explained that high-risk negotiators are eager to accept failure, even if no further concessions or demands are made, and could adopt a strategy with a higher reward but a higher chance of failing. Conversely, low-risk negotiators avoid risk by making concessions to the other party and accepting lower compensation for the contract to reach an agreement.

In this study, information sharing, negotiation speed, trust, and negotiation satisfaction were also identified as complementary variables to Salacuse´s model (see Table 4). These factors have received extensive attention in IBNs and are considered to be crucial to the success of IBNs (Ghauri & Usunier, 2003b). Adding these elements to research is expected to increase negotiators´ understanding of how to prepare for and act in negotiations. A broader examination of negotiation tendencies enables systematic access to information for future studies that compare negotiation tendencies between countries.

Table 4. Four additional elements on the influence of culture on negotiations.

Negotiation element	Range of cultural responses
Information sharing	Low ◄——► High
Negotiation speed	Low ◄——► High
Trust	Low ◄——► High
Negotiation satisfaction	Low ◄——► High

Information sharing in IBNs often involves different negotiating cultures. Thus, it is paramount for negotiators to focus on information sharing and acquisition to foster a collaborative strategy (Usunier, 2003a, p. 123). De Drue et al. (2008, p. 35) explained that a negotiator´s orientation toward the negotiation or their group discussion partners significantly impacts how information is shared and integrated. The extremes of

information sharing (i.e., high and low) can be divided into cooperative and non-cooperative decision making (Swaab et al., 2012, p. 30). De Drue et al. (2008, p. 35) described cooperative decision making as an approach in which negotiators are more likely to convey the correct information, which suggests a high level of knowledge sharing. Swaab et al. (2012, p. 30) clarified that negotiators in cooperative negotiation processes share mutually beneficial information. By contrast, a non-cooperative approach is characterized by the pursuit of personal interests and the distortion and non-disclosure of useful information, which suggests a low level of information sharing (De Drue et al., 2008, p. 35). Therefore, Swaab et al. (2012, p. 30) emphasized the importance of sharing information in social interactions involving mutually beneficial problem solving.

Negotiation speed is the second complementary element of negotiation behavior. It can be divided into high and low negotiation speeds. According to Usunier (2003c, p. 173), time is a variable that influences the negotiation process, including appointments, schedule, and speed. The time variable is also related to the overall duration of negotiations, which also affects their structure. In a formal negotiating style, time is seen as an essential resource rather than a constraint; it organizes the schedule according to a pre-agreed timetable. Stuhlmacher and Champagne (2000, pp. 486–487) reported that negotiating with high time pressure makes more concessions to meet objectives than in negotiations with lower time pressure. Moreover, Usunier (2003c, p. 189) specified that cultures have different views of time and time coordination, which may cause conflicts between IB negotiators. In summary, Usunier (2003c, p. 176) stated that unnecessary wait times are perceived as a misuse of resources, as the time spent must be balanced with the outcome of the negotiation.

Trust is the third complementary element of negotiation behavior. It can also be divided into high and low trust. According to Fells (1993, p. 33), trust is demonstrated when the parties are willing to cooperate and promote good relations. He (1993, p. 37) added that the two main factors in a trust are negotiation expectations and potential risk, which enable appropriate negotiation behavior to be assessed. Yao and Storme (2021, p. 507)

explained that negotiators seek to build long-term business relationships with the other party during negotiations. However, empirical research has focused on how trust affects negotiations, not whether negotiations involve trust.

Butler (1995, p. 497) argued that when trust is high, there is an increased likelihood of information sharing between parties. In addition, high trust encourages agreement, reduces the possibility of breaches (Campagna et al., 2016, p. 621), and decreases transaction expenses (Connelly et al., 2018, p. 934). Schurr and Ozanne (1985, p. 950) added that more agreements are reached and that negotiations are conducted more effectively in situations of high trust than in low trust. Fells (1993, p. 36) stated that finding alternative solutions to conflict is challenging without bilateral trust, which leaves pressure techniques as the only option. Therefore, negotiators should note that trust develops during and after negotiations (Yao & Storme, 2021, p. 507). Fells (1993, p. 35) concluded that trust is related to how negotiators expect the other party to react.

Negotiation satisfaction was defined by Geiger (2014, p. 738) as a response to the outcome and process of negotiations after their completion. This element can be divided into high and low satisfaction. Curhan et al. (2006, p. 498) classified negotiation satisfaction into four categories: outcome, process, relationship, and self-satisfaction. Conlon and Ross (1993, p. 287) reported that negotiators with more realistic expectations are more satisfied with negotiation outcomes. Moreover, Gillespie et al. (2000, p. 791) demonstrated that individual outcomes and negotiator satisfaction were positively correlated. Conversely, when the group performed better, individual satisfaction decreased. Brett et al. (1999, pp. 447–448) explained that the relationship between expectations and results is challenging to define because expectations may change during the negotiation. As shown by Yao and Storme (2021, p. 521), negotiation satisfaction is also related to trust between the parties. They explained that trust increases after the negotiation if the negotiators are satisfied with the outcome.

2.2 Face-to-face and video negotiation

The negotiation modes covered in this study are FTF negotiation, which occurs when negotiators are physically in the same location, and video negotiation, which occurs when the negotiators are simultaneously present over the same network through a video platform but in different locations. Denstadli et al. (2012, p. 71) stated that the purpose of evaluating the effectiveness of different modes is not to analyze whether video negotiation should replace FTF negotiation but rather factors that influence the choice of mode given the objectives of the negotiation.

In a study, Denstadli et al. (2012, p. 77) reported that the most common topic in video negotiations was project work (53%), followed by the exchange of information (21%). In FTF negotiations, the most common topic of discussion was also project work (30%), but there was a more comprehensive range of negotiation issues. Moreover, 70% of video negotiations were internal, compared to 42% of FTF negotiations. Julsrud et al. (2012, p. 398) emphasized that the relationship between negotiation methods is not only related to whether video negotiation is replacing FTF negotiations, but video mode should be considered a complementary option for organizing negotiations.

IB negotiators must consider the impact of negotiation mode on the outcome of the negotiation. As Purdy and Nye (2000, p. 163) suggested, understanding of the negotiation mode´s effects has increased due to the emergence of technological innovations. Some negotiators have used these new options to conduct negotiations without understanding the impact of mode on the quality of communication. By contrast, other negotiators have rejected these new options because they believe that FTF negotiations produce the best results. Therefore, a broader understanding of the importance of communication mode in negotiations is needed.

2.2.1 Conceptualization of face-to-face negotiation

The conceptualization of FTF negotiation and its impact on IB has been widely discussed in previous studies (Andres, 2002; Denstadli et al., 2012; Geiger, 2020; Ghauri & Usunier, 2003a; Ivanovski & Gruevski, 2014; Purdy & Nye, 2000; Stein & Mehta, 2020; Stuhlmacher & Citera, 2005; Usunier, 2003a). Purdy and Nye (2000, p. 164) defined FTF negotiation as a communication mode in which negotiators interact with each other in person. In addition to the language spoken by the negotiators, this interaction involves non-verbal communication through gestures, eye contact, body language, and physical presence. In addition, negotiators can influence speech by varying their speed, intensity, pitch, and by taking advantage of pauses between words. Stein and Mehta (2020) explained that parties could use direct and immediate signals to communicate in FTF negotiations, which enables them to interpret the information, identify potential interests, and immediately respond to the counterparty´s offers. Therefore, it is easier to manage uncertainty in the negotiation compared with other modes because the selected negotiation strategy can be monitored more effectively by the parties, and the counterparty´s reactions can be considered.

2.2.2 Advantages and disadvantages of face-to-face negotiation

The advantages of FTF negotiations are manifested in the choice of negotiation method, influencing the negotiations positively (see Figure 2). IB negotiators can gain a competitive advantage over a foreign party by arranging the meeting in their own country (Ghauri & Usunier, 2003a, p. 470). The organizing party controls the meeting schedule and agenda; thus, arranging an FTF negotiation in the company´s home country is a priority. Denstadli et al. (2012, p. 66) stated that FTF negotiation is the most effective way to conduct business. The assertion is supported by Purdy and Nye (2000, p. 164), who explained that FTF negotiations are the most media-rich form of communication because they enable negotiators to simultaneously address multiple forms of contact and provide immediate feedback. Moreover, a media-rich negotiation mode strengthens cooperation between the parties (Purdy & Nye, 2000, p. 182).

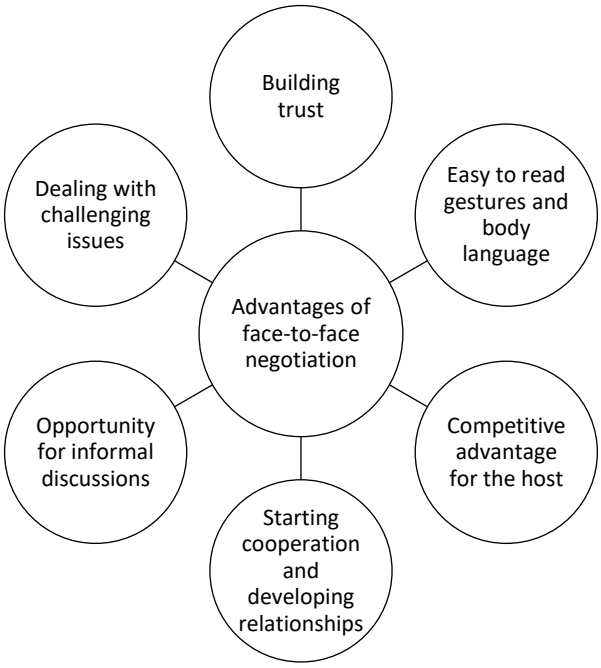

Figure 2. Advantages of face-to-face negotiation.

Other advantages of FTF negotiation include trust building between the parties. Ivanovski and Gruevski (2014, p. 169) stated that, in business, managers value long-term cooperation and gaining confidence in the other party, especially in negotiations. Moreover, FTF negotiation fosters long-term relationship building in new collaborations compared to video negotiation. This was supported by Denstadli et al. (2012, p. 86), who argued that the choice of FTF negotiation is influenced by the possibility of creating new opportunities for cooperation and informal discussions between the parties. Furthermore, Stein and Mehta (2020) specified that developing the fundamental degree of trust required in negotiations is essential to the development of negotiations. Parties can form more precise interpretations in FTF negotiation, which reduces uncertainty and helps to prevent misunderstandings. Andres (2002, pp. 46–47) concluded that communication about conflicts and problems occurs immediately in FTF negotiation, which leads to successful collaboration. In addition, they found that the FTF negotiators have more confidence and competence in the content of the negotiations compared to the group that negotiated via video.

The disadvantages of FTF negotiation are related to cost and time management (see Figure 3). In international business, FTF negotiations require at least one party to travel to another country or both parties to travel to a mutually agreed venue. Cross-border movement entails increased costs for the parties (Usunier, 2003a, p. 125), including flights, accommodation, the use of an external meeting room, necessary travel documents, and personnel costs.

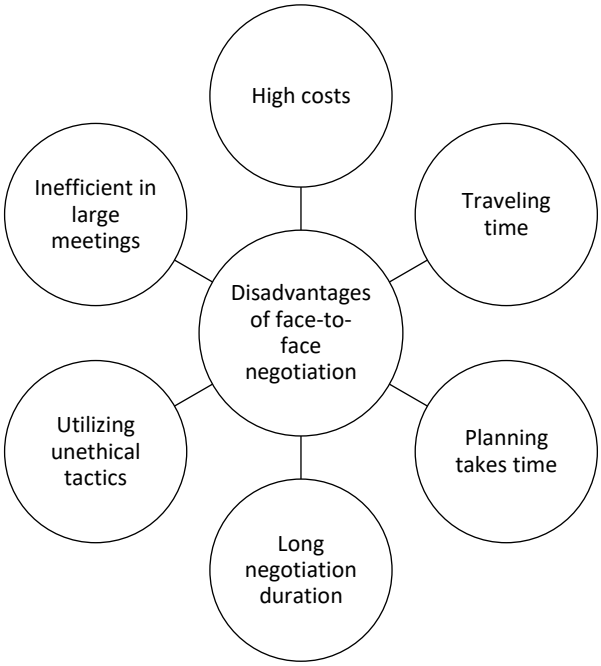

Figure 3. Disadvantages of face-to-face negotiation.

Studies have examined the time needed for planning and the duration of negotiations. Denstadli et al. (2012, p. 78) found that 59% of FTF negotiations are scheduled for at least two weeks in advance. By contrast, 49% of video negotiations are scheduled a week before the negotiation. Moreover, Denstadli et al. (2012, p. 79) found that FTF negotiations last three times longer than video negotiations on average. Similarly, Ivanovski and Gruevski (2014, p. 172) reported that agreements could be reached more rapidly through video negotiations than FTF negotiations. Conversely, Purdy and Nye (2000, p. 182) found that FTF negotiations were more efficient than video negotiations.

In addition, research findings on hostile behavior in different negotiation modes have been mixed. According to Stuhlmacher and Citera (2005, p. 79), hostile behavior includes deceit, threats, or acts concerning concession and alternative proposals made during negotiations. They (2005, p. 86) suggested that less hostile activity occurs in FTF negotiations than in video negotiations. In addition, if the negotiators expect to continue negotiating with the other party in the future via video, the degree of hostility is at the same level as for FTF negotiators. In contrast, if negotiations were not expected to continue in the future, video negotiators showed more hostility than FTF negotiators. However, Stuhlmacher and Citera (2005, p. 87) indicated that differences in hostile behavior between negotiation modes were non-significant. By contrast, Ivanovski and Gruevski (2014, p. 173) found that negotiators tend to behave unethically in FTF negotiations. Research has demonstrated that unethical behavior is more common among experienced negotiators who utilize body language in communication.

2.2.3 Conceptualization of video negotiation and platforms

The impact of video negotiations on IB and its conceptualization has been extensively discussed in previous studies (Andres, 2002; Denstadli et al., 2012; Geiger, 2020; Hardwich & Anderson, 2019; Ivanovski & Gruevski, 2014; Julsrud et al., 2012; Purdy & Nye, 2000; Stein & Mehta, 2020; Stuhlmacher & Citera, 2005). Purdy and Nye (2000, p. 166) defined video negotiation as a method in which parties communicate in real-time via video. They indicated that video negotiation simulates FTF negotiation and that negotiators do not perceive all communication cues in meetings. Ivanovski and Gruevski (2014, p. 168) described video negotiation as a process in which two or more parties participate in decision making and influence the other party by utilizing digital technology in communication. In addition, Stein and Mehta (2020) specified that the video negotiation process is synchronized but occurs in different locations. Moreover, video negotiation enables a sense of intimacy, although the method does not allow the same kind of immediate communication as in FTF negotiations.

A digital video connection can be established using various devices (e.g., a mobile phone, tablet, or computer) through an internet connection; moreover, digital negotiation platforms are available from different service providers (Julsrud et al., 2012, p. 396). Julsrud et al. (2012) indicated that the video connection created through these different devices offers the opportunity to negotiate more cost-effectively than traditional negotiation rooms equipped with a video connection. Denstadli et al. (2012, p. 68) estimated that room-based video negotiation facilities are common in IBNs in Europe and the United States. However, the emergence of new technology has enabled high-quality video and audio services for negotiations.

A digital video negotiation platform is a commercial service that enables digital communication between users and offers a wide range of options for conducting negotiations (Hardwich & Anderson, 2019, p. 43). The most popular video negotiation platforms are Microsoft Teams, Zoom, and Google Meet; they were downloaded 1.63 billion times between the first quarter of 2020 and the second quarter of 2021 (Sensor Tower, 2021). Zoom (2022) describes itself as a simplified video negotiation platform that enables communication on all devices. Services can be rapidly deployed, and the platform promises adequate security. Video negotiation platforms usually feature various collaboration tools, such as screen sharing, to allow users to collaborate on a shared document. Meetings held on the platform can be locally stored on users´ computers or a cloud storage service.

2.2.4 Advantages and disadvantages of video negotiation

Denstadli et al. (2012, p. 80) indicated that video negotiation saves time, reduces costs, and relieves stress experienced by negotiators when traveling. In addition, they found that decision-making, information sharing, and communication with partners are advantages of video negotiation. Similarly, Ivanovski and Gruevski (2014, p. 169) found that video negotiation was associated with cost and time savings, greater efficiency with regard to results, lower conflict behavior, and a focus on the speed of the negotiation process. They indicated that inexperienced and experienced negotiators are on an equal

footing in video negotiation because, although the negotiation occurs on a video platform, it does not convey experienced negotiators´ subtle changes in body language, which may unethically influence inexperienced negotiators. Therefore, Denstadli et al. (2012, p. 86) considered video negotiation the preferred option for negotiators who are geographically distant. Lastly, Hardwich and Anderson (2019, p. 50) indicated that video negotiation strengthens the maintenance of cooperation after trust has been established to nurture a long-term relationship. The advantages of video negotiation are summarized in Figure 4.

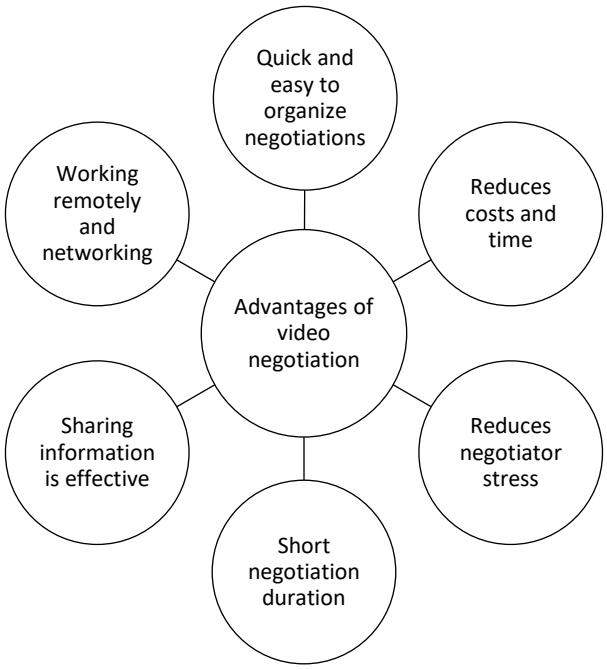

Figure 4. Advantages of video negotiation.

However, video negotiation is also associated with disadvantages. For example, although video negotiations occur through image and sound to simulate FTF negotiations, the connection is often limited to the negotiator´s head and upper body (Purdy & Nye, 2000, p. 166). Therefore, making eye contact with the other party is complex, and subtle gestures and postures are not conveyed in the same way as in FTF negotiations. Hardwick and Anderson (2019, p. 45) emphasized the difficulty of interpreting subtle emotions, especially in complex negotiations. Purdy and Nye (2002, p. 166) found that this can be

affected by the quality of the digital connection in video negotiations, as poor connectivity hinders the detection of subtle gestures. The disadvantages of video negotiation are presented in Figure 5.

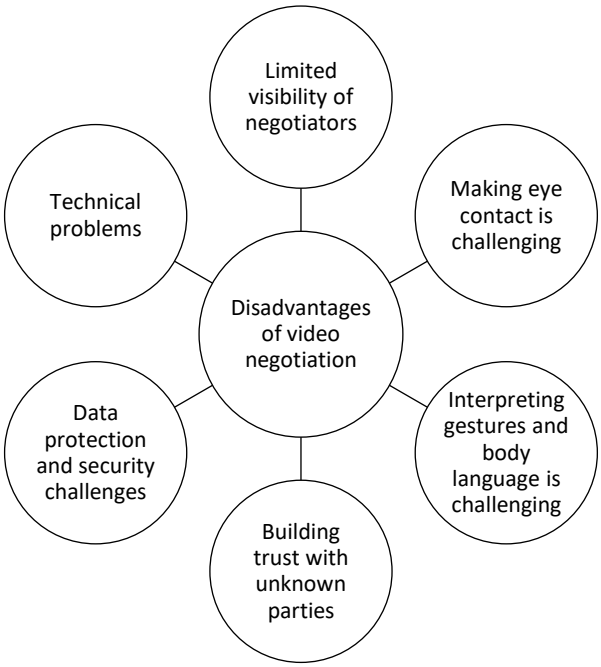

Figure 5. Disadvantages of video negotiation.

Stein and Mehta (2020) advised against starting or ending a negotiation via video negotiation, especially if the parties feel that the negotiators´ physical presence would reduce suspicion and uncertainty. This argument was supported by Denstadli et al. (2012, pp. 84–85), who stated that video negotiation between unfamiliar parties is disadvantageous to new partnerships. Hardwick and Anderson (2019, p. 52) emphasized that building trust is challenging in developing new customer relationships. Therefore, they did not view video negotiation as the primary option for addressing material contracts with key customers. Hence, the parties should prepare for technical problems in video negotiation and meet data protection and security challenges to ensure that confidential information does not fall into the wrong hands. Lastly, Ivanovski and Gruevski (2014, p. 173) noted that the efficiency and security of the negotiation process decrease when informal negotiation platforms are used.

2.3 Communication modes and negotiation elements among Finnish business negotiators

In IBNs, it is necessary to understand the meaning of social relations and intercultural communication skills (Usunier, 2003a, p. 97). The importance of communication mode in negotiations has been extensively discussed by previous authors (Arola et al., 2014; Ghauri, 2003a; Ghauri, 2003c; Graham, 2003; Hall, 1960; Kale, 2003; The New London Group, 1996; Usunier, 2003a). For example, Usunier (2003a, p. 118) explained that an obstacle in successful IBNs is the lack of familiarity with the other party´s culture, although this should be part of preliminary investigations. Ghauri (2003a, p. 13) stated that different cultures have different communication models, which are related to their linguistic and cultural circumstances. Therefore, members of various cultures display diverse communication behaviors. Hall (1960, p. 96) explained that this is related to linguistic and cultural differences between countries; thus, sufficient time must be allocated to develop a business relationship.

To understand the complexity of the relationships between different modes of communication, The New London Group (1996, p. 78) identified six modes: linguistic, visual, aural, gestural, and spatial, which collectively form multimodal meaning (see Figure 6). The multidimensional meaning arises because the negotiators do not communicate only by speech or image but by using several means of communication. Ghauri (2003, p. 19) explained that communication is interpreted differently across cultures, which leads to challenges and pressures for parties in a negotiation. Lewicki et al. (2016, p. 256) specified that culture affects verbal and non-verbal communication and the interpretation of body language, which IB negotiators should be aware of to avoid unintentionally offending the other party. Graham (2003, p. 29) demonstrated that different communication styles among colleagues can lead to misunderstandings, especially in international business negotiations.

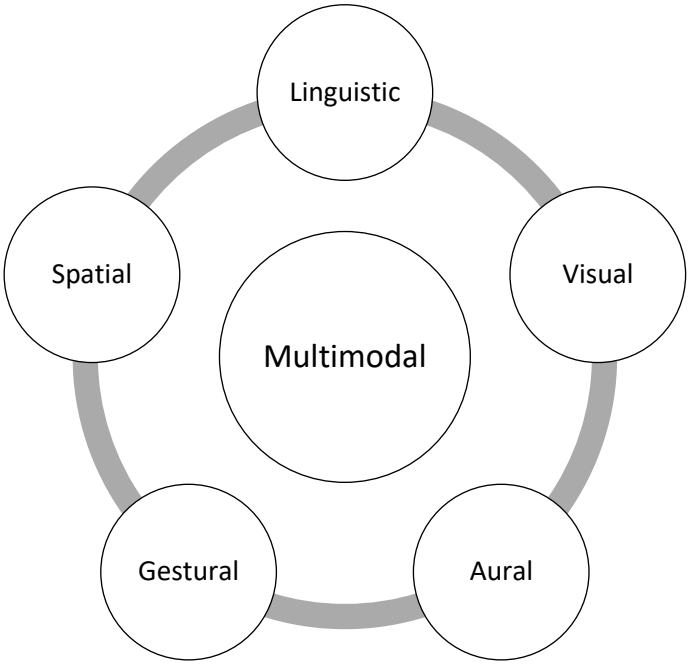

Figure 6. Types of communication mode (Adapted from The New London Group, 1996, p. 83).

The first mode of communication is **linguistic**. According to Arola et al. (2014, p. 5), the linguistic mode encompasses written text, speech, grammar, vocabulary, and paragraph structures. It makes communicators understandable through the use of different word choices, the editing of written or spoken text, the formation of sentence structures, the division of a text into paragraphs and chapters, and the consistent combination of individual words and ideas. However, Arola et al. specify that the linguistic approach is not always the most relevant, as it is affected by using other modes of communication in the text.

According to Usunier (2003a, p. 101), parties to a negotiation must communicate even if their native language is different. Thus, a third party may be required to translate the agreement into a format that can be understood by all parties. Therefore, linguistic importance is demonstrated by knowledge of a foreign language or its use as a competitive advantage (Graham, 2003, p. 33). Graham (2003) further emphasized that understanding and using a foreign language is an asset that must be recognized. He (1985b, p. 90) demonstrated that negotiators in certain cultures use silence as a negotiation tactic.

Furthermore, George et al. (1998, p. 758) claimed that linguistic variations in a multicultural negotiation might cause negotiators to feel unsure and stressed.

The second mode of communication is **visual**, which encompasses what people see, such as photographs, colors, videos, and other elements (e.g., size, perspective, and style; Arola et al., 2014, p. 6). The visual mode affects how a party perceives what they see and guides or reassures people when they are exposed to optical signals. The New London Group (1996, p. 81) explained that the modes are related; for example, written text can also be visually interpreted. In addition, Kale (2003, p. 87) provided the example of a sales transaction affected by advertising brochures´ style and content. Hall (1960, p. 91) explained that visual elements could also influence the demonstration of a negotiator´s status through materialistic choices such as clothing, a car, or a house.

The third mode of communication, **aural,** refers to sound. The latter encompasses various methods of communication, including sound effects, music, rhythm, volume, tone, and silence (Arola et al., 2014, p. 8). In addition, listeners are accustomed to aural signals in everyday life but pay less attention to the kind of information, emotions, and answers conveyed. According to Usunier (2003a, p. 106), the aural mode affects personal trustworthiness; for example, the tone and intensity of a negotiator´s voice can influence their credibility. McCall (2003, p. 232) demonstrated that, in Western culture, explicit language could indicate the finality of a negotiation proposal, which can be further reinforced through non-verbal gestures.

The fourth mode of communication is **gestural**, which refers to interactions between people in terms of body language, facial expressions, and hand gestures (Arola et al., 2014, p. 12). Gestures made in interpersonal communication can be used to analyze emotions or what they are intended to communicate to the other party. Ghauri (2003a, p. 19) explained that, in IBNs, non-verbal communication could be as important as communication using a spoken language, as it may indicate nervousness and various tensions. However, since non-verbal communication is related to the subconscious and emotional

states, it can be challenging to assess. Graham (2003, p. 33) emphasized that cultural variations in non-verbal communication are often overlooked. Since communication takes place subconsciously, it is challenging to interpret the gestures of a negotiator from another culture; in such cases, the possibility of misinterpretation may increase. Thus, Kale (2003, p. 92) suggested that negotiating parties be sensitive to verbal and non-verbal cues. Ghauri (2003a, p. 114) concluded that awareness of these factors is essential because it may improve the effectiveness of negotiations.

The fifth mode of communication is **spatial**, which refers to the arrangement of the physical space (e.g., distance, location, and the ordering of objects; Arola et al., 2014, p. 10). The design of company brochures and website navigation are also part of the spatial mode, and furniture arrangements can encourage discussion and cooperation. Hall (1960, pp. 87–88) demonstrated that spatial space is applicable to IBNs because the disarray of a business partner´s premises and office can give an unreliable image of the negotiating partner. In addition, Hall (1960, p. 90) stated that the size of an office could determine a person´s status; for example, the chairman of a board or the CEO must have the largest offices. Ghauri (2003c, p. 211) concluded that the atmosphere of negotiations might be influenced by the location of the negotiation, the agenda, and the negotiators´ seating arrangement.

Multimodal meaning is the sixth mode of communication. The New London Group (1996, pp. 80–81) emphasized the importance of multimodal meaning because it has a dynamic relationship with all other modes of communication. It is not enough to interpret only one mode of communication; instead, different communication methods must be considered and combined into an understandable format. Ghauri and Usunier (2003a, pp. 474–475) provided general guidelines for FTF negotiations in anticipation of cultural differences in communication. Different communication styles should be considered in advance to interpret the other party´s behavior during the negotiation itself, such as emotionality, manipulation, and threats. Finally, the researchers stated that negotiation is a two-way process in which listening plays a prominent role.

2.3.1 Finnish cultural behavior

Previous studies have extensively examined the effect of culture on the behavior of Finnish managers (Airola et al., 1991; Chhokar et al., 2007; Lewis, 2005; Lewis, 2006; Lindell & Arvonen, 1996; Lindell & Rosenqvist, 1992; Lindell & Sigfrids, 2007; Smith et al., 2003; Zander, 1997). For example, the GLOBE study (Chhokar et al., 2007) used the cultural factors identified by Hofstede (1980) and combined leadership theories and societal and corporate elements (Lindell & Sigfrids, 2007, pp. 83–84). It found that out of 61 nations (Rank 1 is the highest; 61 is the lowest), assertiveness (Rank 47), performance orientation (Rank 46), human orientation (Rank 35), and group collectivism (Rank 54) are low to medium in Finnish culture. In addition, the power distance (Rank 47) is low, which shows that Finnish society values the equality of its members. A low performance orientation signaled that Finnish culture does not promote the development of group skills. Moreover, Finland was found to be a collectivist culture in which gender equality is relatively high, and people trust social norms and processes to avoid societal uncertainty. It ranked in the upper middle range on the dimensions of gender equality (Rank 31) and future orientation (Rank 14).

Lewis (2006, p. 136) asserted that Finns are generally described as calm, imaginative, and reliable; master data use; and have vital planning and implementation skills. Moreover, Finns are careful listeners, adapt their position based on scientific evidence, and avoid hypocrisy and wasting time. Lindell and Sigfrids (2007, p. 86) added that Finns are reserved, tolerant, and value calmness. Therefore, Lewis (2005, p. 68) assumed Finnish values include democracy, self-determination between individuals, women´s equality in society, a high work ethic, human rights, and ecology.

However, a general weakness in Finnish culture is the lack of conversational skills. Several researchers have stated (Lewis, 2006, p. 333; Lindell & Sigfrids, 2007, p. 99; Smith et al., 2003, p. 505) that Finns are reserved; communication includes a little small talk and people generally avoid arguing with others, but being reserved is perceived to be part of the interaction. Metcalf et al. (2006, p. 383) reported that Finns are highly sensitive to time;

they tend to begin negotiations without delay or small talk and do not appreciate wasting time. According to Lewis (2006, p. 68), the Finns´ communication style is characterized by using few words. He demonstrated that Finns´ communication patterns show that they strive for minimal speech while reducing the possibility of misunderstanding, enabling clarity of communication (see Figure 7), which has been emphasized in previous studies (Lindell & Sigfrids, 2007, p. 86; Metcalf et al., 2006, p. 383).

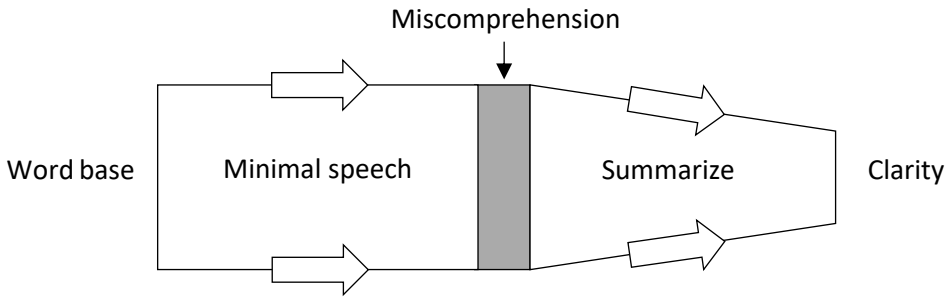

Figure 7. Communication patterns among Finns (Adapted from Lewis, 2006, p. 68).

Lindell and Sigfrids (2007, pp. 90–91) summarized the characteristics of Finnish managers based on previous studies. According to Lindell and Sigfrids, an effective leader in Finnish management culture was characterized by participation in decision-making, cooperation between superiors and subordinates, and open leadership. In addition, decision-making, honesty and responsibility, flexibility, and the ability for open dialogue within the organization and delegation of responsibilities were emphasized. Lewis (2006, p. 120) demonstrated that the Finnish management style included power sharing; middle management has the right to make independent decisions, but senior management holds power by virtue of position. In addition, senior management supports employees in crises. Finnish managers are perceived as team players with good leadership skills in a culture with an informal business environment unburdened by multiple systems and hierarchies (Lewis, 2006, p. 332). Zander (1997, p. 307) stated that Finnish management culture is perceived as one of silent coaching in which employees have low interest in general communication; instead, personal communication is prioritized.

The operating environment of Finnish organizations is based on modern technology, up-to-date knowledge (Smith et al., 2003, p. 501), and the division of decision-making power (Lindell & Sigfrids, 2007, p. 94). Lewis (2006, p. 334) emphasized that managers use the latest technology while pursuing continuous development. Moreover, decision-making power is mainly in the hands of managers, and every decision does not need to be approved by headquarters. Therefore, Lindell and Sigfrids (2007, p. 86) specified that it is possible to reach a consensus because decision makers in society have opportunities to engage in personal dialogue in informal and formal settings.

In addition, Lewis (2006, p. 334) explained that Finns consider corporate bureaucracy to hinder the business. Hence, an informal business environment facilitates the development of ideas for Finnish companies. For example, Lindell and Arvonen (1996, p. 80) found that Finnish managers valued the development-oriented management style the most compared to Swedish, Danish and Norwegian managers. According to Lewis (2006, pp. 334–335), this is partly due to Finnish managers´ higher education level, which provides Finnish companies an advantage over foreign parties. Lindell and Sigfrids (2007, p. 90) indicated that Finnish managers believed competition would intensify. In effect, the development of innovations and increasing performance must be considered in operations.

The culture of trust is considered high in Finland, where the default is to trust the other party until proven otherwise (Lewis, 2006, p. 145). Therefore, Finnish culture emphasizes honesty and expects leaders to be fair and reliable (Lindell & Sigfrids, 2007, p. 99). Katz (2006, p. 4) indicated that Finns provide information as a sign of trust and expect joint action. Therefore, it is inadvisable to use pressure tactics against Finns or hide known facts from negotiations, as these actions will negatively affect the process. Metcalf et al. (2007, p. 149) noted that Finns strive to identify collaborative solutions during the initial phase of negotiations. In addition, Finns abide by agreements, and their statements can be considered promises.

2.3.2 Negotiation elements and tendencies among Finnish negotiators

In IBNs, Finnish negotiators´ tendencies have been previously studied without a comparison of different communication modes (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). For example, Metcalf et al. (2006) compared the effect of culture on negotiation trends in five countries. The study included 147 Finns. Moreover, Schwarz (2019) studied the impact of generations (i.e., Generations X and Y) on negotiators´ behavior in IBNs; the sample included 112 Finns. Similarly, Zenad (2021) studied the behavior of 114 Finnish negotiators from Generations X, Y, and Z in IBNs. However, Altis (2022) examined the influence of communication mode on IBN tactics and Salacuse´s model of ten negotiation elements based on the experiences of 25 Finnish IB negotiators in both FTF-IBNs and V-IBNs. In the process, Altis provided new information about the effects of negotiations on trends among Finnish negotiators in IBNs.

Table 5 presents results from the abovementioned studies related to Finnish negotiators´ behavior in IBNs. In general, Finns strive to build a relationship between parties. With regard to the element of attitudes, Finns strive to achieve mutually beneficial win-win outcomes. Furthermore, Finns generally prefer a formal negotiation style (Schwarz, 2019; Zenad, 2021), and also, Altis (2022) reported that Finnish V-IBNs negotiators valued a formal negotiation style. However, Altis (2022) found that Finnish FTF-IBNs negotiators used a more informal negotiation style, and similarly, Metcalf et al. (2006) found that they generally used a more informal style. In all studies, Finns were found to have a direct communication style. Moreover, they are highly time-sensitive, indicating that they are punctual and strive to reach rapid decisions.

Some previous studies found low emotionalism among Finnish participants (Altis, 2022; Schwarz, 2019; Zenad, 2021), while Metcalf et al. (2006) found medium emotionalism. Altis (2022) and Zenad (2021) reported that, in terms of team organization, Finns demonstrated consensus behavior in FTF-IBNs and V-IBNs. Meanwhile, Metcalf et al. (2006) and Schwarz (2019) found that team organization fell in the middle of the team organization continuum. Lastly, Altis (2022) stated that risk-taking was low in V-IBNs and higher

in FTF-IBNs; this contrasted with previous studies (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021) that identified a medium level of risk-taking in general. Regarding trust and information-sharing behavior, Altis (2022) found that Finnish IB negotiators valued high trust and information sharing in both FTF-IBNs and V-IBNs.

Table 5. Tendencies among Finnish international business negotiators (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021).

Country	**Finland**				
Negotiation element	**Metcalf et al. (2006)**	**Schwarz (2019)**	**Zenad (2021)**	**Altis (2022)**	
				Video negotiation	**Face-to-face negotiation**
Goal (contract vs. relationship)	Relationship	Relationship	Relationship	Relationship	Relationship
Attitudes (win-lose vs. win-win)	Win-win	Win-win	Win-win	Win-win	Win-win
Personal style (informal vs. formal)	Informal	Formal	Formal	Formal	Informal
Communication style (direct vs. indirect)	Direct	Direct	Direct	Direct	Direct
Time sensitivity (low vs. high)	High	High	High	High	High
Emotionalism (low vs. high)	Medium	Low	Low	Low	Low
Agreement form (specific vs. general)	Specific	Specific	Specific	Specific	Specific
Agreement building (bottom-up vs. top-down)	Top-down	Bottom-up	Medium	Top-down	Top-down
Team organization (one leader vs. consensus)	Medium	Medium	Consensus	Consensus	Consensus
Risk-taking (low vs. high)	Medium	Medium	Medium	Low	High
Trust (low vs. high)	N/A	N/A	N/A	High	High
Information sharing (low vs. high)	N/A	N/A	N/A	High	High

2.3.3 Impact of communication mode on negotiating elements of Finnish negotiators

This subsection combines the previously discussed IBN process, FTF and video negotiation, and the influence of culture on the negotiation behavior of Finnish IB negotiators. Theoretical gaps are supplemented by presenting perspectives from various publications and studies to support the formation of hypotheses. Ten hypotheses (H1–10) are based on the negotiation elements presented by Salacuse (1998) and influenced by culture,

and four hypotheses (H11–14) are based on the four additional elements identified in this study. They are presented in the following paragraphs.

Goal (contract vs. relationship)

Finnish IB negotiators aim to build business relationships. For example, Metcalf et al. (2006) reported that Finns valued relationship building the most out of the five countries included in the study (the others were India, Mexico, Turkey, and the United States). Similarly, Schwarz (2019) found that Finnish negotiators of the X and Y generations value building relationships the most compared to Germans and Pakistanis. Moreover, Zenad (2021) demonstrated that Generations X, Y, and Z valued building business relationships. Altis (2022) found that Finnish negotiators in FTF-IBNs and V-IBNs valued relationships. Furthermore, Lewis (2006, pp. 333–334) characterized Finns as calm, reliable, and quiet; they base their operations on facts, invest in new technologies, and keep social interactions low. Nevertheless, cautious Finns take precautions when entering agreements with international clients.

According to the theory of social presence (Short et al., 1976), FTF communication is best-suited to negotiations because it does not interfere with socio-psychological behavior, unlike many other means of communication (Geiger, 2020, p. 217). In other words, FTF negotiation can lead to more optimal processes and thus better outcomes. Denstadli et al. (2012, p. 85) assumed in their study of Norwegian business travelers that social relationships influence the choice of negotiation mode. They argued that the FTF approach was popular, especially for developing new business relationships. By contrast, video negotiations are often used with familiar partners and in situations that require a more efficient process. Based on the advantages of FTF negotiation in facilitating new cooperation and developing long-term relationships and the finding that video negotiation focuses on efficiency, the following hypothesis was developed:

H1: Finnish negotiators involved in FTF-IBNs demonstrate more relationship-building behavior than those involved in V-IBNs.

Attitudes (win-lose vs. win-win)

Finnish negotiators are known for their professional and efficient attitudes in negotiations. Metcalf et al. (2006) found that Finns and Mexicans were the most successful in producing win-win outcomes among the five countries featured in their study. Schwarz (2019) also found that Finnish X and Y generation negotiators strive for a win-win attitude in negotiations, valuing it more compared to German and Pakistani negotiators. Consistent with previous studies, Zenad (2021) reported a win-win attitude among Finnish Generation X, Y, and Z negotiators. Similarly, Altis (2022) demonstrated that Finnish negotiators in FTF-IBNs and V-IBNs valued a win-win attitude.

Lewis (2006, p. 71) characterized the Finnish negotiation style as calm, which involves listening to the other party´s views without interruption. Geiger (2020, p. 216) indicated that negotiators could not send, receive and understand visual cues based on the barrier effect theory. As a result of the barrier effect, the importance of eye contact decreases because the negotiator´s visual interpretation is limited, which reduces the dominant party´s influence through eye contact. Swaab et al. (2012, p. 26) classified negotiators into three main types: neutral, cooperative, and non-cooperative. In their communication model, media-rich communication channels lead neutral negotiators to achieve better outcomes. They do not affect willingness to cooperate but impair the results of non-cooperative negotiators. However, Geiger (2020, p. 219) clarified that, based on the barrier effect theory, video negotiation could encourage negotiators to adopt a cooperative attitude compared to FTF negotiation, especially for non-cooperative parties. Furthermore, Swaab et al. (2012, p. 30) found that cooperative negotiators seek solutions that benefit both parties. Non-verbal cues affect the other party´s interpretation of the communication, building trust, and the relationship. Conversely, the number of non-verbal signals in video negotiation is lower due to limited visuals. Based on this discussion, the following hypothesis was developed:

H2: A win-win attitude is prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs.

Personal style (informal vs. formal)

Generally, Finns behave informally in business contexts (Lewis, 2006, p. 334). Metcalf et al. (2006) supported the argument with their study of negotiators from Finland, India, Mexico, Turkey, and the United States; they found that Finnish participants scored highest on informal behavior. Similarly, Smith et al. (2003, p. 499) found that Finns demonstrate a preference for informal behavior in business cooperation. By contrast, Schwarz (2019) found that Finnish Generation X and Y negotiators exhibited the most formal negotiating behavior compared to their peers from Germany and Pakistan. Similarly, Zenad (2021) indicated that Finns from Generations X, Y, and Z valued formal behavior. Altis (2022) reported mixed results; they showed that Finnish negotiators valued informal behavior in FTF-IBNs and formal behavior in V-IBNs.

Bird and Metcalf (2004, p. 260) explained that, in countries with a relatively low culture of strict business practices (including the ability to make independent decisions and tolerance for a certain degree of uncertainty), informal behavior was preferred. Lewis (2006, p. 332) stated that the Finnish leadership style is balanced between consulting and determination. In the Finnish business environment, hierarchy´s importance is low, enabling informal behavior without unnecessary bureaucracy. Moreover, Denstadli et al. (2012) and Geiger (2020) demonstrated that relationship building is more challenging than alternative means of communication. Therefore, Salacuse (1999, p. 226) recommended following the formalities of different cultures and shifting to more informal behavior at the right time. Lewis (2006, p. 335) described Finns´ behavior in business contexts as restrained; they maintain a low profile and do not draw attention to themselves. In conclusion, Denstadli et al. (2012, p. 86) stated that FTF negotiations provide an opportunity to establish new business relationships through informal discussions. Based on the previous literature, the following hypothesis was formed:

H3: Informal behavior is more common among Finnish negotiators involved in FTF-IBNs than those involved in V-IBNs.

Communication style (direct vs. indirect)

Metcalf et al. (2006) demonstrated that Finnish respondents favored a direct communication style. This result aligns with Schwarz´s (2019) observation that Finnish Generation X and Y negotiators tended to use a direct communication style. Zenad (2021) reported similar results for IB negotiators from Generations X, Y, and Z. Altis (2022) consistently found that Finnish negotiators valued a direct communication style in both FTF-IBNs and V-IBNs. According to Lindell and Sigfrids (2007, p. 99), Finns are known for moving straight to the point in negotiations.

In general, Lewis (2006, p. 335) asserted that Finns listen to the other party´s views in negotiations without interrupting. Moreover, they only present their opinions after careful consideration. Therefore, Lewis (2006, p. 336) claimed that others should not be surprised by the slowness of decision-making, but when they do, it is likely to be challenging to convince them otherwise. Bird and Metcalf (2004) found that indirect communication is used in high-context collective cultures, which are more sensitive to indirect, non-verbal communication. By contrast, a direct communication style is characteristic of low-context cultures. Finland is considered an individualistic culture with a direct communication style; it was ranked 63 out of 100 points on the Hofstede Insight (2022) index. Lewis (2006, pp. 68–69) concluded that Finns strive for clarity and brevity and directly communicate messages. Thus, Finnish IB negotiators´ communication style tends to be direct regardless of mode. Based on the discussion, the following hypothesis was formed:

H4: Finnish negotiators involved in FTF-IBNs and V-IBNs favor a direct communication style.

Time sensitivity (low vs. high)

Metcalf et al. (2006) found that 48% of the Finnish respondents in their study demonstrated a high tendency toward time sensitivity. Similarly, Schwarz (2019) and Zenad (2021) reported that Finnish Generation X, Y, and Z participants tended to have high time sensitivity, and Altis (2022) demonstrated that Finnish negotiators valued high time

sensitivity in both FTF-IBNs and V-IBNs. Finland is considered a culture that tolerates high uncertainty, scoring 59 out of 100 points on the Hofstede Insight (2022) index. Finns generally tend to be punctual and expect the same of colleagues and business partners (Lewis, 2006, p. 332). Lindell and Sigfrids (2007, p. 89) also found that Finns value time; thus, being on time for meetings is essential. They also tend to begin formal negotiations soon after presentations and conclude them quickly, but sometimes at the expense of a thorough situational analysis (Lewis, 2006, pp. 154–155). Based on the literature, time sensitivity among Finnish negotiators is expected to be high regardless of communication mode. Hence, the following hypothesis was formed:

H5: Time sensitivity is high among Finnish negotiators involved in both FTF-IBNs and V-IBNs.

Emotionalism (low vs. high)

Metcalf et al. (2006) found that Finnish negotiators tended to score in the middle on the negotiating element of emotionalism. Studies by Schwarz (2019) and Zenad (2021) demonstrated low emotionalism among Finnish Generation X, Y, and Z negotiators. Similarly, Altis (2022) reported that emotionalism was low among Finnish IB negotiators in FTF-IBNs and V-IBNs. Lewis (2006, pp. 159–160) described Finns as having quiet and moderate body language and argued that they do not show their feelings through it. Similarly, Lindell and Sigfrids (2007, p. 99) reported that expressing emotions was challenging for Finns. Specifically, Finns experience difficulties establishing personal contacts with foreign partners, which some cultures value.

Keltner and Haidt (1999, p. 511) explained that with the help of emotional expressions, social interaction contributes to information about the other party´s intentions and the recognition of their feelings. According to Laubert and Parlamis (2019, p. 378), negotiation studies have shown that emotions can be strategically used to destabilize opponents. For example, Citera et al. (2005, pp. 165–166) explained that psychological distance theory posits that a lack of physical closeness leads to psychological distance. Consequently,

lacking media richness leads to a lower social presence and a more significant psychological barrier between negotiators. Geiger (2020, p. 217) clarified that from the point of view of psychological distance theory, no other mode of communication offers social presence equivalent to the FTF mode. Lastly, Derks et al. (2008, pp. 780–781) suggested that the lack of physical contact weakens the emotional experience, even if the reactions are similar to those in online negotiations, but appear weaker in intensity and shorter in duration than in FTF interactions. Based on the previous discussion, the following hypothesis was formed:

H6: Emotionalism is low among Finnish negotiators involved in FTF-IBNs and V-IBNs.

Agreement form (specific vs. general)

Metcalf et al. (2006) demonstrated that Finnish negotiators favor specific agreements. Similarly, Schwarz (2019) found that Finnish Generation X and Y negotiators value specific agreements in negotiations. Again, Zenad (2021) reported that Finnish Generation X, Y, and Z negotiators value specific agreements. Altis (2022) consistently indicated that Finnish negotiators in FTF-IBNs and V-IBNs value specific agreements. Lewis (2006, p. 172) emphasized that written agreements are valued in Finnish culture. As reported by Bird and Metcalf (2004), cultures with high uncertainty avoidance favor specific contracts that detail all relevant matters. Conversely, cultures with low uncertainty avoidance prefer more general contracts, which are seen as a set of guidelines and do not contain well-defined conditions. Finland is considered a culture with a high level of tolerance for uncertainty (Hofstede Insight, 2022). Lewis (2006, p. 136) stated that Finns´ strength lies in utilizing fact-based information in international teams. Lewis (2005, p. 71) also highlighted that Finns favor comprehending the needs of their counterparts., which reduces the probability of negotiations failing.

According to Dennis et al. (2008, p. 575), media richness theory is one of the most utilized media theories and suggests that challenging tasks should be performed on media-rich channels such as FTF negotiations. Conversely, video negotiations are seen as a less

media-rich information sharing channel. FTF-IBNs reduce the likelihood of misinterpretation and misunderstandings between the parties (Stein & Mehta, 2020). Thus, it can be suggested that Finnish IB negotiators prefer a specific agreement form, regardless of the negotiation method. Based on the discussion, the following hypothesis was formed:

H7: Finnish negotiators involved in both FTF-IBNs and V-IBNs favor specific agreements.

Agreement building (bottom-up vs. top-down)

A top-down approach was most prevalent among Finnish participants in the study involving negotiators from Finland, India, Mexico, Turkey, and the United States (Metcalf et al., 2006). Similarly, Altis (2022) demonstrated that Finnish negotiators in FTF-IBNs and V-IBNs value top-down agreement building. By contrast, Schwarz (2019) found that Finnish Generation X and Y negotiators value a bottom-up approach. Finally, Zenad (2021) indicated that Finnish negotiators of Generations X, Y, and Z fall in the middle of the continuum between bottom-up and top-down agreement building. Negotiators who favor top-down agreement building tend to outline general principles for the negotiations in an informal environment before the formal negotiation process (Metcalf et al., 2006, p. 391).

Denstadli et al. (2012, pp. 84–85) explained that FTF meetings are an option when developing business relationships is also on the agenda, not only contract issues. Specific contract terms (e.g., payment and delivery) streamline the negotiation process, which is a strength of video negotiation. Despite mixed results in the literature, it can be argued that top-down agreement building is common among Finnish negotiators in both FTF and video negotiation. Thus, the following hypothesis was formed:

H8: Top-down agreement building is prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs.

Team organization (one leader vs. consensus)

Metcalf et al. (2006) found that Finnish participants generally fell in the middle of the continuum between a single-leader and consensus culture but leaned toward the single-leader approach. By comparison, Schwarz (2019) also found that Finnish Generation X and Y negotiators fell in the middle of the continuum but leaned toward a consensus culture. Similarly, Zenad (2021) indicated that the team organization´s behavior of Finnish negotiators of Generations Y and Z is based on consensus. Furthermore, Zenad presented that the team organizational behavior of Generations X fell between the one-leader and consensus extremes. Correspondingly, Altis (2022) reported that Finnish negotiators in FTF-IBNs and V-IBNs value consensus behavior. Moreover, Lindell and Sigfrids (2007, p. 86) found that Finnish managers value collectivism and teamwork in companies and government organizations, which indicates consensus behavior.

According to Lewis (2006, p. 120), Finnish senior managers are close to middle managers and support the staff when challenges arise, which indicates consensus behavior. Furthermore, Lewis (2006, p. 334) emphasized that Finnish leaders can make decisions without the approval of senior management. Thus, Finnish negotiators have the authority to make independent decisions, regardless of whether FTF or video negotiation is chosen. Bird and Metcalf (2004) found that the negotiation process follows consensus behavior in cultures that tolerate high uncertainty; in other words, the entire negotiating team has decision-making power. Since Finland is a culture that tolerates high uncertainty, it can be hypothesized that consensus behavior is prevalent among Finnish negotiators in both FTF and video negotiations. Accordingly, the following hypothesis was formed:

H9: Consensus behavior is prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs.

Risk-taking (low vs. high)

Schwarz (2019) demonstrated that risk-taking among Finnish Generation X and Y negotiators falls toward the middle of the continuum between high and low but skews high. Similarly, Metcalf et al. (2006) and Zenad (2021) found that Finnish respondents balanced risk-taking and risk avoidance. Altis (2022) reported that Finnish negotiators value higher risk-taking behavior in FTF-IBNs and lower risk-taking behavior in V-IBNs. Bird and Metcalf (2004) found that cultures with high uncertainty avoidance shun risk-taking, and low uncertainty avoidance accepts risk-taking. This view aligns with Usunier´s (2003a, pp. 110–111) argument that Hofstede´s cultural dimensions are tied to risk-taking. He specified that risks are part of contract negotiations due to the other party´s unpredictable actions. Lewis (2005, pp. 75–76) stated that, due to their highly systematic thinking and fact-based reasoning, Finns are perceived to avoid risk-taking. Daft and Lengel (1986, p. 560) argued that, according to media richness theory, FTF channels are the most effective for solving challenging and unclear situations. In conclusion, Stein and Mehta (2020) asserted that FTF negotiation reduces uncertainty compared to other modes. Thus, the following hypothesis was formed:

H10: Risk-taking behavior is higher among Finnish negotiators involved in FTF-IBNs than those involved in V-IBNs.

Information sharing (low vs. high)

Altis (2022) found that Finnish negotiators in FTF-IBNs and V-IBNs value high information sharing. According to Bird and Metcalf (2004, pp. 253–254), a negotiator who follows a win-win negotiation strategy seeks to address potential challenges related to information sharing to solve problems and produce an outcome that satisfies both parties. This claim was supported by Usunier (2003a, pp. 112–113), who argued that problem-solving negotiators engage in open information sharing and do not manipulate the other party. By contrast, a win-lose approach is used by negotiators who want to expand their profit at the opposing party´s expense through limited information sharing (Ghauri, 2003a, pp. 3–4). Both Schwarz (2019) and Metcalf et al. (2006) found that Finnish

negotiators preferred a win-win negotiation strategy. Lewis (2006, p. 155) demonstrated that Finnish team leaders consider colleagues and different perspectives in negotiations, striving for a result that everyone is satisfied with.

However, Swaab et al. (2012, p. 31) indicated that the impact of communication mode on information sharing between collaborative negotiators is not decisive. In their view, information sharing is essential to build cooperation and trust; thus, the means of communication is irrelevant. Stuhlmacher and Citera (2005, p. 86) presented a different perspective, suggesting that behavior would be less hostile in FTF negotiations than in video negotiations. Their results demonstrated that behavior was more hostile in video negotiations when the interlocutor was unknown. Thus, hostile behavior would decrease if continued cooperation was expected. By contrast, if the collaboration was not expected to continue, negotiators behaved in a more hostile manner in video negotiations than in FTF negotiations. Based on the previous discussion, the following hypothesis was formed:

H11: Finnish negotiators involved in FTF-IBNs and V-IBNs engage in high information-sharing behavior.

Negotiation speed (low vs. high)

In general, Smith et al. (2003, p. 504) explained that the Finns value efficient time management in business. In a study conducted by Ivanovski and Gruevski (2014, p. 172), 55% of respondents agreed with the statement that the time required to reach an agreement in negotiations has decreased with the emergence of virtual communication technologies, while 19% were neutral. The researchers also found that senior management perceived virtual negotiation as a time and resource saver. This view was supported by Denstadli et al. (2012, p. 84), who found that video negotiations saved time in terms of both negotiation duration and planning. Furthermore, Denstadli et al. (2012, p. 85) concluded that respondents generally perceived video negotiation to be more efficient than FTF negotiation.

However, Hardwick and Anderson (2019, p. 48) found the opposite; participants in their study stated that video negotiations could be time-consuming and resource-intensive. In addition, Purdy and Nye (2000, p. 181) demonstrated that, on average, FTF negotiations took less time (14.5 minutes) than video negotiations (24.5 minutes). Similarly, Galin et al. (2007, p. 793) determined that FTF negotiations took less time than virtual negotiations. Thus, FTF negotiations are the most effective way of building long-term relationships, which increases trust and commitment (Denstadli et al., 2012, p. 66). Conversely, Ivanovski and Gruevski (2014, p. 173) presented that reaching an agreement is faster through virtual communication while saving resources. Therefore, video negotiations are recommended when time is limited or the negotiators are spread over multiple locations, as they allow the parties to connect rapidly. Based on the previous literature, the following hypothesis was developed:

H12: The speed of negotiations is higher among Finnish negotiators involved in V-IBNs than those involved in FTF-IBNs.

Trust (low vs. high)

Altis (2022) demonstrated that Finnish negotiators in both FTF-IBNs and V-IBNs value high trust. Bird and Metcalf (2004, p. 259) described trust as the basis of a cooperative relationship; it establishes a bond between the parties, and the formal agreement is seen as a formality. In addition, Bird and Metcalf (2004) found that in a culture of high uncertainty avoidance, negotiators value behaviors where trust is based on the relationship between the parties. Lewis (2006, pp. 145–146) asserted that Finns have a culture of high trust, which means that people generally trust each other and are expected to follow the rules. Thus, as Finns represent a culture of high uncertainty avoidance (Hofstede Insight, 2022), it can be interpreted that the value of trust is recognized as high among Finnish IB negotiators. FTF negotiations build trust, while video negotiations maintain established trust in a business relationship (Hardwick & Anderson, 2019, p. 50). These arguments were supported by Geiger (2020, p. 239), who suggested that FTF negotiation

leads to higher trust. Consequently, these findings demonstrate that both modes of communication are related to building trust. Therefore, the following hypothesis was formed:

H13: Trust is higher among Finnish negotiators involved in FTF-IBNs than those involved in V-IBNs.

Negotiation satisfaction (low vs. high)

The effects of different modes of communication on negotiation satisfaction have been mixed. For example, Carnevale et al. (1981, p. 117) found that negotiator satisfaction was higher when there was no visual connection. Meanwhile, Barkhi et al. (1999, p. 342) found that, compared to computer-mediated communication, negotiators who engaged in FTF communication were more satisfied with the negotiation process but not its outcome. Wolfe and Murthy (2005, p. 374) indicated that different pre-negotiation expectations influenced negotiators´ negotiation satisfaction with both FTF and software applications and platforms. When there were inconsistent expectations in pre-negotiations, they found that deadlocks were more common in FTF negotiations than in negotiations via an electronic platform. Wang and Doong (2014, pp. 744–745) reported that the satisfaction of FTF and video negotiators focused on negotiation processes that dealt with less analytical assignments. Instead, the results illustrated that text-based negotiation was associated with satisfaction with more analytical tasks.

Based on Naquin and Paulson´s (2003, pp. 117–118) findings, confidence and satisfaction with results were higher in FTF negotiations than in video negotiations. Conversely, Ivanovski and Gruevski (2014, p. 172) hypothesized that negotiators were more satisfied with the outcome of virtual negotiations. However, they found that 36% of participants were satisfied, 30% were neutral, and the rest were unsatisfied with the outcome of virtual negotiations. Moreover, Lewis (2006, p. 155) stated that the practices of Finnish team leaders create satisfaction among colleagues because different perspectives are considered and openly addressed. Metcalf et al. (2006) found that Finnish negotiators

seek a win-win rather than a win-lose negotiation solution. Based on previous studies, the following hypothesis was developed:

H14: Negotiation satisfaction is high among Finnish negotiators involved in FTF-IBNs and V-IBNs.

2.3.4 Conceptual framework for the study

A conceptual framework (see Table 6) was developed for the research and focused on the effects of changing culture on the behavior of Finnish negotiators in FTF-IBNs and V-IBNs. The framework was developed using Salacuse´s (1998) model and previous findings on communication methods. Salacuse´s model focuses on elements that influence the negotiation style of people from different cultural backgrounds. He listed 10 culturally dependent factors that affect negotiation behavior. The hypotheses were designed to examine the effect of communication mode on 14 negotiation tendencies.

The first 10 elements were borrowed from Salacuse´s model, which was also the basis for previous studies (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021) on the negotiation behavior of Finnish IB negotiators. Four additional elements were developed and incorporated into the framework to complement Salacuse´s model: information sharing, negotiation speed, trust, and negotiation satisfaction. They have received attention in IBNs and are considered particularly significant for the outcome of negotiations.

The conceptual framework includes theories, additional ideas, and findings from the literature review. Consequently, it illustrates the connections between these concepts and their applicability to the research topic (see Table 6). The current study examines and defines two negotiation modes: FTF and video negotiation. In addition, it combines theories, findings from previous studies, and hypotheses. It presents research questions, related background theories, and the research methods used to test them. In addition,

general knowledge about Finnish culture and communication practices was used to create the hypotheses.

Table 6. Conceptual framework for the study.

Hypothesis	Negotiation element	Face-to-face negotiation	Video negotiation
H1	Goal (contract vs. relationship)	Higher relationship	Lower relationship
H2	Attitudes (win-lose vs. win-win)	Higher win-win attitude	Higher win-win attitude
H3	Personal style (informal vs. formal)	Higher informal style	Lower informal style
H4	Communication style (direct vs. indirect)	Higher direct communication	Higher direct communication
H5	Time sensitivity (low vs. high)	Higher time sensitivity	Higher time sensitivity
H6	Emotionalism (low vs. high)	Lower emotionalism	Lower emotionalism
H7	Agreement form (specific vs. general)	Specific agreement form	Specific agreement form
H8	Agreement building (bottom-up vs. top-down)	Top-down agreement	Top-down agreement
H9	Team organization (one leader vs. consensus)	Higher consensus	Higher consensus
H10	Risk-taking (low vs. high)	Higher risk-taking	Lower risk-taking
H11	Information sharing (low vs. high)	Higher information sharing	Higher information sharing
H12	Negotiation speed (low vs. high)	Lower negotiation speed	Higher negotiation speed
H13	Trust (low vs. high)	Higher trust	Higher trust
H14	Negotiation satisfaction (low vs. high)	Higher satisfaction	Higher satisfaction

3 Methodology

The current chapter introduces the methodology chosen for the study, which is presented according to the different layers of the research onion. The two outer layers, the research philosophy and approach, are described in section 3.1. Next, section 3.2 explains the study´s research methods, strategy, and time horizon. Sections 3.3 and 3.4 describe the data collection and data analysis methods. Finally, section 3.5 examines the credibility of the research, and section 3.6 evaluates research ethics.

3.1 Research philosophy and approach

This section demonstrates the study´s research philosophy and approach according to the layers of the research onion (see Figure 8) and justifies the decisions made for the research. According to Saunders et al. (2016, p. 122), data collection methods and analytical procedures are at the heart of a study, but the outermost layers—the research philosophy and approach—also merit understanding and explanation. The research philosophy chosen for this study is positivism, which Saunders et al. (2016) described as follows:

> Positivism relates to the philosophical stance of the natural scientist and entails working with an observable social reality to produce law-like generalizations. It promises unambiguous and accurate knowledge and originates in the works of Francis Bacon, Auguste Comte, and the early twentieth-century group of philosophers and scientists known as the Vienna Circle. (pp. 135–136)

Consistent with the strategy and purpose of the study, Saunders et al. (2016, pp. 137–138) explained that a positivist research philosophy draws on existing theory to develop, test, and confirm hypotheses. Accordingly, this study is based on Salacuse´s (1998) framework and previous studies (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021) that utilized the framework to examine the behavior of Finnish IBN negotiators. A quantitative research approach was used to collect primary data through an online survey. Collecting survey data is consistent with a positivist research philosophy, as the researcher´s influence on the research is minimized and remains neutral. Furthermore,

the study used a structured methodology that enables reproducibility. Therefore, it focuses on producing measurable findings that are suitable for statistical analysis, which was conducted with the SPSS program. In light of these assumptions, positivism was an appropriate philosophical approach for the current research.

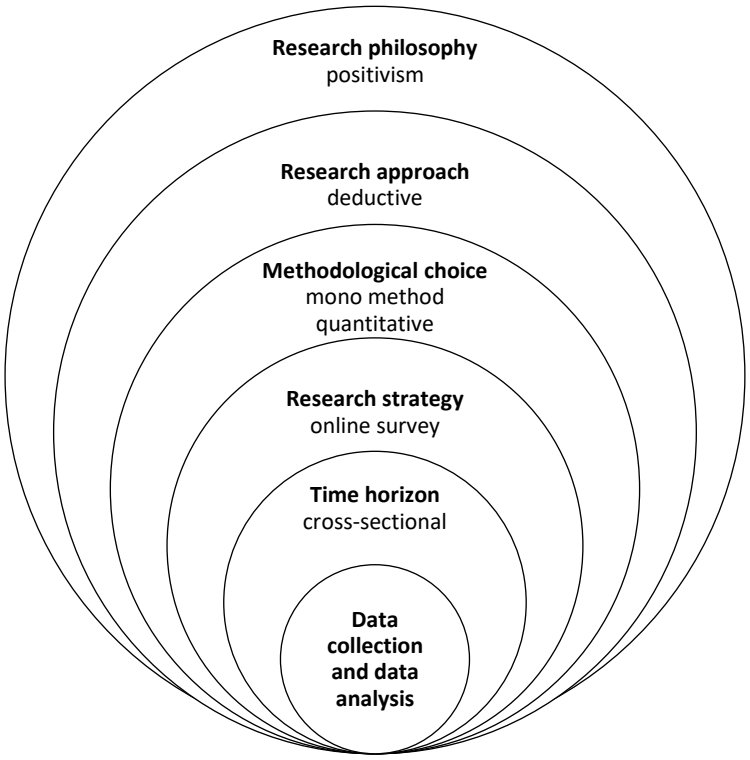

Figure 8. The research onion (Adapted from Saunders et al., 2016, p. 124).

In this study, a deductive approach was employed to evaluate the hypotheses and determine whether there was a causal relationship between the independent and dependent variables, which were used to test and develop the chosen theory (Saunders et al., 2016, pp. 51, 145). To determine the impact of communication mode (i.e., FTF negotiation vs. video negotiation) on the behavior of Finnish IBN negotiators, 14 hypotheses based on previous findings on negotiation elements and behavior were developed. Quantitative data was collected through a structured questionnaire to test the hypotheses, which enabled the reproducibility of the research. Furthermore, the operationalization of the variables was updated to meet the study´s objectives by combining survey questions from previous studies.

3.2 Quantitative research method

Both quantitative and qualitative research methods are used in business studies. According to Saunders et al. (2016, p. 165), quantitative studies feature numerical data collected through surveys or statistical analysis in numerical form, while qualitative studies are based on non-numerical data collected through interviews or data classification. This research is characterized by a mono method (Saunders et al., 2016, p. 166) because it uses only one quantitative study data collection technique (i.e., an online survey). An online survey was used to collect primary data because there were insufficient secondary sources that contained information about the behavior of Finnish IBN negotiators.

Based on previous studies (Altis, 2022; Schwarz, 2019; Zenad, 2021), a structured questionnaire was developed to collect primary data. Furthermore, the research strategy used was comparative (Bukhari, 2011, p. 1), which means that two research subjects were compared—in this case, the behavior of Finnish negotiators in FTF-IBNs and V-IBNs. Changes brought by the COVID-19 pandemic also affected the communication modes used in IBNs. Therefore, the phenomenon was studied within a specific time frame, which means that the current study is also cross-sectional (Saunders et al., 2016, p. 200).

3.3 Data collection

An online survey was used to collect the data from respondents in a target group, commonly used in business research (Saunders et al., 2016, p. 436). The advantages of using an online survey are the saving of time and resources, the accessibility of the respondents, and the possibility of faster data analysis, compared to a paper survey which increases costs and time due to the manual processes (Saunders et al., 2016, pp. 443–444). In addition, quantitative research methods were combined with a positivism research philosophy and a deductive approach in which theory was tested using the collected data (Saunders et al., 2016, p. 166). The following five procedures were implemented as part of the study: data sample selection, the development of an online survey, the operationalization of the variables, data collection with response rates, and data analysis.

3.3.1 Data sample

The study includes Finnish IB negotiators with experience in FTF-IBNs and V-IBNs. The research was limited to Finnish companies engaged in IB, without any restrictions on industry or size. The author obtained a list of Finland´s largest companies measured by turnover from the Asiakastieto (2022) database, which offers digital business information services. Also, the author´s professional network provided an additional sample of small and medium-sized firms engaged in IB. A sampling technique was used to obtain a sufficiently large sample for the data analysis and generalizations (Saunders et al., 2016, p. 274).

Some criteria were set for the sampling. First, the respondents´ nationality had to be Finnish. Second, they had to have experience in IBNs. Third, they had to have expertise in both FTF-IBNs and V-IBNs, without limitations on work experience. Finally, they had to work at or own a company that operates in Finland and is registered in the Finnish YTJ (2022) business information database without restrictions on industry or turnover. Due to resource, time, and budget constraints, the selected sample was not representative of the entire study population, as it would have been challenging to ensure this.

3.3.2 Questionnaire

A structured questionnaire was used to collect the data. Questionnaires are the most common data collection method and enable data to be gathered from a sample before conducting a quantitative analysis, as respondents answer the same questions (Saunders et al., 2016, p. 439). The choice of survey type was influenced by the distribution method and how the data collection method of the study was organized (Saunders et al., 2016, p. 440). Data collection was conducted via an online survey, and the questionnaire was distributed to respondents using an online link.

According to Ghauri et al. (2020, p. 171), the advantages of questionnaires include low cost and the ability to reach global respondents. In addition, it allows to respond to the

survey by carefully considering the answers without schedule pressure, and the researcher´s behavior or survey techniques do not affect the responses. An essential part of the research is the questionnaire, the design of which must take into account the data analysis methods before completing the survey (Ghauri et al., 2020, p. 172). Thus, Saunders et al. (2016, p. 444) emphasize designing a questionnaire because the research method provides only one opportunity to collect data, and there is often no opportunity to collect additional data.

The questions were designed to be concise and easy to understand (Ghauri et al., 2020, p. 176). Each question addressed only one aspect of negotiation, encouraging respondents to provide a specific answer. General topics were avoided to interpret each respondent´s responses efficiently in the analysis phase. Moreover, suggestive language was omitted from the questions to prevent influencing participants to respond in a particular manner. In addition, the questions were polite, clear, and contained no hidden meanings. In particular, consideration was paid to the sequence of questions. The questions were properly organized, moving from easy to more challenging questions about attitudes. Finally, the research questions and the order of questions were pre-tested with an experimental group representing the same target population as the sample to identify possible challenges or problems.

As suggested by Saunders et al. (2016, p. 445), the questionnaire was divided into five categories. The first section contained questions about the respondents´ factual and demographic details, while the second section was designed to gather background information on the respondent´s organization to form a participant profile. The collected data can be used to compare respondents´ differences in negotiation experience and whether the research data represented the entire population. The third and fourth sections formed the central part of the survey and contained questions about the respondents´ attitudes, opinions, and behavior. The final section asked respondents about their willingness to receive information about the study´s results.

The survey included category questions in which respondents must choose one option, such as age (Ghauri et al., 2020, p. 173). Moreover, rating questions were used, with the answer categories divided into five categories: strongly disagree, partly disagree, neutral, partly agree, and strongly agree (Saunders et al., 2016, p. 459). The second response category for rating questions uses semantic difference rating questions to assess respondents´ attitudes (Saunders et al., 2016, p. 460), for example, satisfaction with the negotiation outcome, where the two extremes are very low and very high. Lastly, the questionnaire was in English and was not translated into the respondents´ mother tongue (i.e., Finnish) because the questionnaire was intended for Finnish IB negotiators.

3.3.3 Operationalization of variables

The operationalization of the video and FTF negotiation independent variables and the dimensions of the negotiation behavior dependent variables (i.e., elements) were derived from previous research (Altis, 2022; Schwarz, 2019; Zenad, 2021) and modified to meet the current study´s objectives. Measurements for the independent and dependent variables from the survey are listed in Table 7.

Table 7. Operationalization of variables.

Construct	Question	Source
Goal	1) Developing a relationship with the negotiation partner had a higher priority for me than focusing solely at the task and the attainment of an agreement. 2) I did not see the potential agreement at the end of a negotiation process as a single deal. I considered the negotiation as a step towards a long-term relationship between me and the negotiation partner.	Schwarz (2019) Zenad (2021)
Attitudes	1) During the negotiations, I primarily focused on achieving my own company´s interests. 2) Within the negotiations, I cooperated with the negotiation partner to reach fair and beneficial solutions for both parties instead of solely trying to maximize my own interests	Schwarz (2019) Zenad (2021)
Personal style	1) During the negotiations, I focused primarily on business matters instead of focusing more on personal and family matters. 2) During the negotiations, I expressed myself in a formal way. 3) During the negotiations, I tried to keep the conversation friendly and informal.	Schwarz (2019) Zenad (2021)
Communication style	1) While evaluating my counterpart´s offer, I preferred to communicate in a clear and explicit way by directly stating my opinions. 2) In the case of a disagreement, I stated my opinions in a direct and explicit manner instead of relying on gestures or facial expressions to convey my refusal.	Schwarz (2019) Zenad (2021)
Time sensitivity	1) I expected all parties involved in the negotiation process (including myself) to be punctual. 2) During the negotiations, I preferred to strictly follow the time schedules set for the negotiations.	Schwarz (2019) Zenad (2021)
Emotionalism	1) During the negotiations, I preferred to form my arguments based on facts rather than arguing based on feelings and stories. 2) I preferred to hide my emotions, like frustration or happiness, during the negotiations because I think it is inappropriate to express emotions overtly.	Schwarz (2019) Zenad (2021)
Agreement form	1) I preferred to reach a negotiation agreement that was a detailed description of all the decisions agreed upon during the negotiation process rather than an agreement that was more of a statement of general principles.	Schwarz (2019) Zenad (2021)

Construct	Question	Source
Agreement building	1) I preferred to negotiate the general principles that guided other decisions before negotiating specific issues that needed to be resolved.	Schwarz (2019) Zenad (2021)
Team organization	1) The whole negotiation team was involved in the decision making process instead of one or few persons in senior positions making the decisions on behalf of the whole team.	Schwarz (2019) Zenad (2021)
Risk-taking	1) During negotiations, I made the first concession in the hope that my partner would also make a concession in return. 2) During the negotiations, I tried to stick to the plans that were made prior to the beginning of the negotiation process instead of being flexible and spontaneous towards sudden turnarounds.	Schwarz (2019) Zenad (2021)
Information sharing	1) To build trust, I openly shared all the necessary information with my opposite party.	Altis (2022)
Negotiation speed	1) I think negotiations took more time than normal.	Developed for this study
Trust	1) A high level of trust with the opposite party was developed during the negotiations.	Altis (2022)
Negotiation satisfaction	1) How satisfied were you with the outcome of the negotiation?	Altis (2022)

3.3.4 Data collection process and responses

Before the data collection, pilot survey testing was conducted. Saunders et al. (2016, p. 473) explained that pilot testing should target respondents who correspond to the target group. The purpose is to test their ability to answer the questions without problems, collect and store data, and assess the correctness of the questions. Moreover, respondents were asked to comment on the survey´s suitability for the study and structure. Feedback can be used to amend the questionnaire as needed to increase the study´s validity and reliability. Saunders et al. (2016, p. 473) stated that pilot respondents should be experts with experience in researching a similar topic. Thus, two researchers were used for the pre-testing: an assistant professor and an IB master´s graduate. Both scholars were experts in IBN who had previously conducted surveys on a similar topic. They reviewed the original questionnaire and provided feedback on the survey´s design and length. Subsequently, their suggestions were considered for the final version of the survey.

An online survey (see Appendix 1) was conducted to collect the primary data for the study from April 21 to May 31, 2022. It was emailed to Finland´s 30 largest companies and 78 small and medium-sized enterprises from the researcher´s professional network, for a total of 108 companies. The email contained a cover letter explaining the research´s purpose and requesting the respondent´s consent to use the collected data. The allotted response time for the survey was two weeks, but it was extended in order to reach more

respondents. As a result, sufficient data for analysis was obtained for the study. Also, potential respondents were reached through the researcher´s LinkedIn account by sharing a public link to the survey. Of the 108 Finnish companies targeted for the survey, 21 Finnish IB negotiators answered the online survey, which amounted to a response rate of 19.4%. In addition, nine people responded to the survey via the public link. Thus, a total of 30 responses were received. A screening of the responses resulted in the rejection of two completed questionnaires because the criteria set for the target group were not met. Therefore, the valid sample for the data analysis was $n = 28$.

3.4 Data analysis methods

In the data analysis, independent samples *t*-tests were conducted using the SPSS statistical program. A numerical variable was divided into two groups using a descriptive variable, as suggested by Saunders et al. (2016, pp. 542–543). They explained that an independent samples *t*-test could be used when examining one independent variable that assumes two categories and only one dependent variable. A significance level (or *p*-value) is used to accept or reject hypotheses. Saunders et al. (2016, p. 537) explained that a relationship is statistically significant when the *p*-value is .05 or lower. Conversely, if the *p*-value is greater than .05, then the relationship is not statistically significant. Additionally, Saunders et al. (2016) emphasized that the variables may be interdependent, but the results cannot be confirmed with certainty. Therefore, statistical significance was assessed in this study using the following *p*-values: significant (* $p \leq .05$), very significant (** $p \leq .01$), or extremely significant (*** $p \leq .001$).

Furthermore, confirmatory factor analysis (CFA) was used to analyze relationships between observable data and hidden variables or factors based on historical data, as Jackson et al. (2009, p. 6) suggested. They clarified that CFA is often used to create and improve measurement devices, test the validity of constructs, identify methodological effects, and assess factor variance between time and groups. An alternative method, exploratory factor analysis, focuses on theory development rather than hypothesis testing. This study uses CFA rather than exploratory factor analysis because the negotiation

constructs were based on established and tested constructs from previous studies. In addition, hypotheses were tested.

3.5 Credibility of the research

To ensure the credibility of the research design, researchers must pay attention to the quality of the research and findings. Saunders et al. (2016, p. 202) asserted that researchers can only reduce the likelihood of distorted results; thus, a high-quality research design is crucial. Moreover, research quality is based on reliability and validity. Reliability means that a study should be reproducible and consistent; in other words, the findings should be the same when another researcher repeats the research design (Saunders et al., 2016, p. 202). Whereas, validity refers to the adequacy of the measurements used for the research topic, the outcome analysis´s accuracy, and the findings´ generalizability.

3.5.1 Reliability

Saunders et al. (2016, p. 202) distinguished internal and external reliability. Internal reliability refers to consistency in research, which can be bolstered by involving more than one researcher in a study. Also, consistency can be enhanced by promoting stability during the research and taking notes on how the survey data is processed. External reliability refers to whether the same or another researcher can obtain consistent results by repeating the chosen research methods. Saunders et al. (2016) emphasized that there are risks associated with assessing reliability because the results of an unreliable study may prove invalid if errors or bias affect the credibility of the results and analysis.

Saunders et al. (2016, p. 203) presented a list of four key reliability risks: participant or researcher error and participant or researcher bias. Participant error is related to factors that affect the respondent´s performance in answering the survey; for example, answering questions in a hurry affects the responses given. The researcher´s error is defined; thus, misunderstandings influence the interpretation of the survey data due to physical conditions or a lack of preparation for the interview. Participant bias refers to factors that

lead to erroneous responses; for example, another person´s presence during the survey may affect the participant´s opinions. Finally, researcher bias (e.g., the researcher´s attitudes and views) may influence the interpretation of responses.

Criteria and threats related to reliability were considered in this study as follows. First, the study´s internal reliability was strengthened by documenting the research and analysis methods. Second, CFA was used to measure the study constructs and determine Cronbach´s alpha (Saunders et al., 2016, p. 451). As proposed by Kolenikov (2009, p. 330), the number of components and the relationships between factors and observable variables were defined in advance for CFA. Third, the study´s external reliability was reinforced through a detailed description of research methods and their rationale to enable other researchers to repeat the research, if necessary.

The risk of participant bias was minimized by conducting a web-based survey that respondents could complete without being disturbed by anyone. Moreover, the risk of participant bias was reduced by confirming that respondents corresponded to the target group defined for the study, which was expected to possess the knowledge required to provide thoughtful responses to the survey (Brace, 2018, p. 277). The risk of researcher bias was minimized by ensuring that the researcher could not influence the participants´ views and that the results were analyzed using the SPSS program, reporting the study results accurately.

3.5.2 Validity

The evaluation of the study´s validity was divided into two parts: internal validity and external validity (Saunders et al., 2016, p. 202). Saunders et al. (2016, p. 450) explained that, in the context of questionnaires, the term “measurement validity” is also used instead of internal validity and refers to a questionnaire´s ability to measure the factors that the study was designed to measure. Accordingly, Saunders et al. (2016, p. 204) introduced six threats to internal validity:

1. Past events may shape the respondents´ views.
2. The survey may impact respondents´ performance if perceived to affect consequences after the survey.
3. The comparability of the results can be affected if the research instrument is changed during the study.
4. Mortality refers to the withdrawal of a research participant during the process.
5. The maturity of a research participant changes during the research process due to external factors.
6. Unclear cause and effect relationship.

Saunders et al. (2016, p. 450) enumerated three factors in measurement validity: content, criterion, and construct. First, content validity considers how the questionnaire covers the research question under study. In this study, content validity was ensured using survey questions tested in previous studies. Second, criterion validity is related to the predictability of the answers provided by respondents (Saunders et al., 2016, pp. 450–451). In this study, criterion validity was ensured by conducting *t*-tests. Finally, construct validity was assessed based on whether the survey questions actually measured the negotiation elements that the study was designed to measure.

External validity refers to whether the study results are generalizable and applicable to other research contexts or groups (Saunders et al., 2016, p. 204). Ghauri et al. (2020, p. 68) added that external validity is emphasized in quantitative research methods. Attention must be paid to the sampling process to obtain a representative sample. In this case, the external validity was ensured by considering sampling methods, namely by limiting the survey to Finnish nationals with experience in FTF-IBNs and V-IBNs. In addition, the respondent´s company must operate in Finland and be registered in the Finnish YTJ business information database. Lastly, the results from previous studies on the tendencies of Finnish IB negotiators and this study were compared. If the comparison does not reveal any significant differences, this suggests that the sample adequately represented the target population.

3.6 Research ethics

Saunders et al. (2016, p. 239) stated that research ethics are the principles that guide the researcher during the study´s implementation, including data collection, analysis, and reporting of results. Ghauri et al. (2020, p. 25) emphasized that considering ethics in business research increases the study´s credibility. Unethical behavior is often associated with hypocritical findings and fraud in data collection (Ghauri et al., 2020, p. 26). Thus, the researcher must consider pre-defined ethical codes throughout the research process.

The University of Vaasa´s (2013) ethical research principles served as the foundation for the study´s code of ethics. Both these and the ethical principles described by Saunders et al. (2016, pp. 243–244) were followed. For instance, integrity and objectivity were maintained throughout the research process based on the transparency of operations. The researcher was respectful of all participants and considered their rights. The study did not harm any participants and respected their confidentiality, privacy, and anonymity. Participation in the survey was voluntary; thus, the respondents had the option not to answer the questions and to stop participating in the study.

Furthermore, the study followed the principle of informed consent. Before participating in the study, the participants were given sufficient information about the background and objectives of the study. Additionally, the data collected during the research was treated confidentially to prevent personal information from being associated with any respondent. Finally, the data was processed without risk of distortion or alteration. In conclusion, Ghauri et al. (2020, p. 27) emphasized objectivity and honesty when reporting results as the most crucial ethical factor, as well as the presentation of results in a form that does not cause problems for respondents.

4 Empirical analysis and results

This chapter presents an empirical analysis and the results of the study, including the distribution of the demographic background factors of Finnish IB negotiators. Then, CFA is used to measure the constructs examined in the study. Finally, hypothesis testing is presented, and differences in negotiation trends between video and FTF negotiations are examined.

4.1 Distribution of survey respondents

Descriptive statistics were examined to explore background factors among Finnish IB negotiators. Participants´ ages varied between 26–35 and over 56; the mean age was 40 (*M* = 3.46), the standard deviation was .838, skewness was .121, and kurtosis was -.377. The most common age group was 36–45 (*n* = 12; 42.9% of respondents), followed by 46–55 (*n* = 10; 35.7% of respondents). Also, there were three respondents each (10.7%) in the 26–35 and over 56 age groups. Respondents´ age distribution is shown in Figure 9.

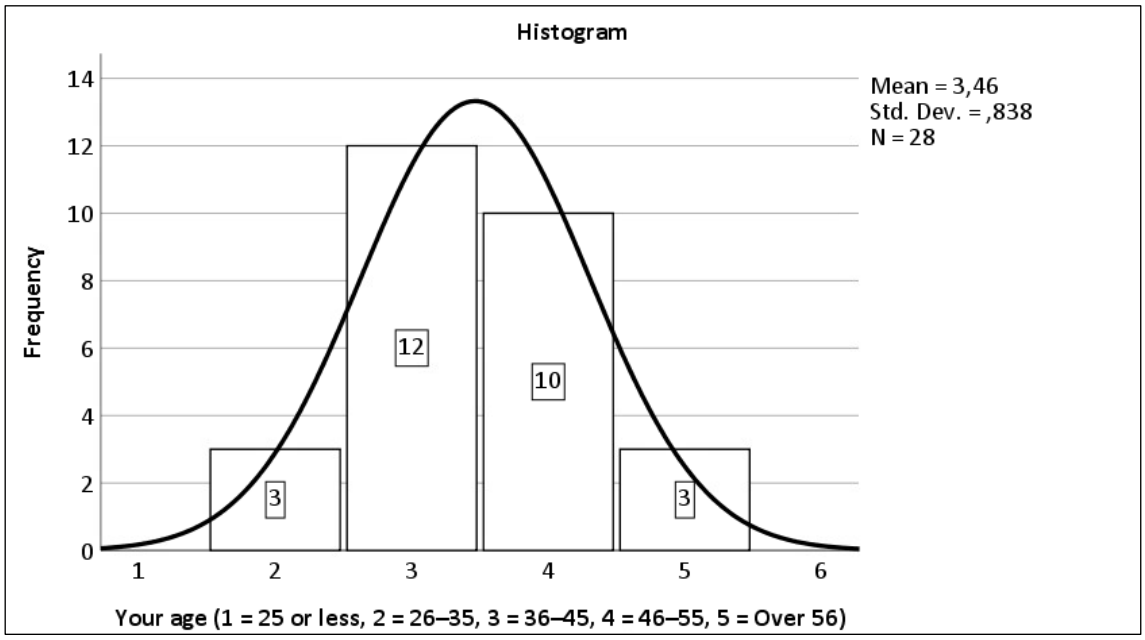

Figure 9. Age distribution of participants.

Out of 28 participants, 82.1% (*n* = 23) were male, 14.3% (*n* = 4) were female, and 3.6% (*n* = 1) chose "other." Figure 10 presents the gender distribution of survey respondents.

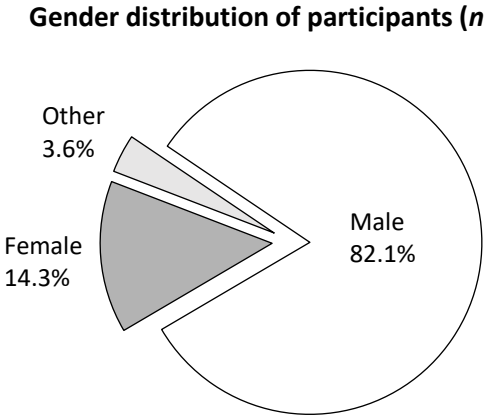

Figure 10. Gender distribution of participants.

Out of 28 respondents, 46.4% (*n* = 13) did not report any experience of living abroad for more than three months in a row, 35.7% (*n* = 10) reported living abroad for a year or less, and 7.1% (*n* = 2) reported living abroad for two to three years. Of participants, 10.7% (*n* = 3) reported living abroad for four to six, seven to 10, or over 10 years. These results are summarized in Figure 11.

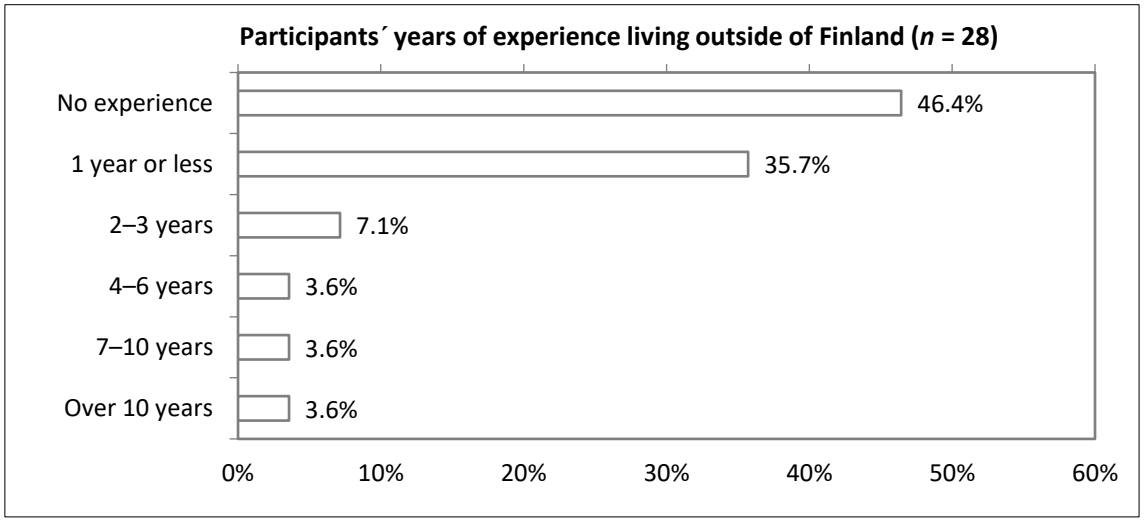

Figure 11. Participants´ years of experience living outside of Finland.

Participants in the sample have lived in 17 countries, and the frequency of occurrence is 25, which shows a significant variation in the target countries. China (12%; *n* = 3) and Sweden (12%; *n* = 3) were the most frequently reported countries. The next most common countries were Brazil (8%; *n* = 2), Russia (8%; *n* = 2), Spain (8%; *n* = 2), and the United States (8%; *n* = 2). The remaining 11 countries accounted for 4% each (*n* = 1) and comprised 44% of all. The breakdown of countries is shown in Table 8.

Table 8. Countries that respondents have lived in.

Country	Frequency	Percentage
1. China	3	12%
2. Sweden	3	12%
3. Brasil	2	8%
4. Russia	2	8%
5. Spain	2	8%
6. The United States	2	8%
7. Argentina	1	4%
8. Bosnia and Herzegovina	1	4%
9. Canada	1	4%
10. Estonia	1	4%
11. Germany	1	4%
12. Hong Kong	1	4%
13. Kosovo	1	4%
14. Norway	1	4%
15. Portugal	1	4%
16. The Netherlands	1	4%
17. The United Kingdom	1	4%
Total	**25**	**100%**

In terms of educational level, 46.4% (*n* = 13) of respondents had a bachelor´s degree, and 32.1% (*n* = 9) had a master´s degree. In addition, the highest level of education attained was high school or trade school for 17.9% (*n* = 5) of participants and other degrees for 3.6% (*n* = 1) of participants. Participants´ educational attainment is shown in Figure 12.

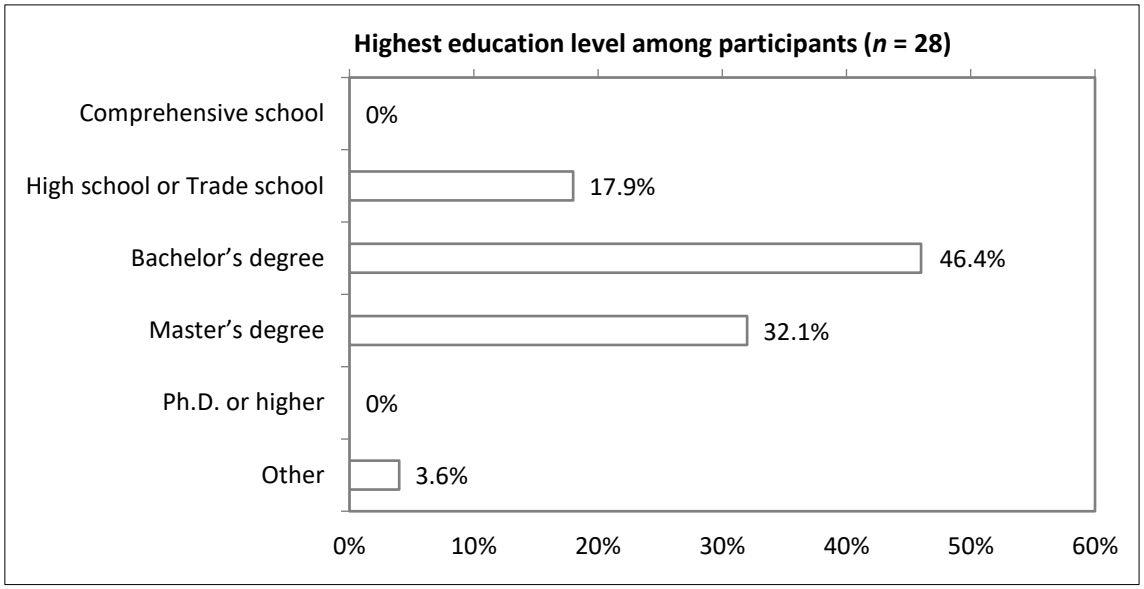

Figure 12. Highest education level among participants.

Out of 28 respondents, 85.7% (*n* = 24) of respondents had 10 years or more years of work experience, 7.1% (*n* = 2) had seven to 10 years of work experience, 3.6% (*n* = 1) had one to three years of work experience, and 3.6% (*n* = 1) respondents had one year or less of work experience. Figure 13 summarizes participants´ total years of work experience.

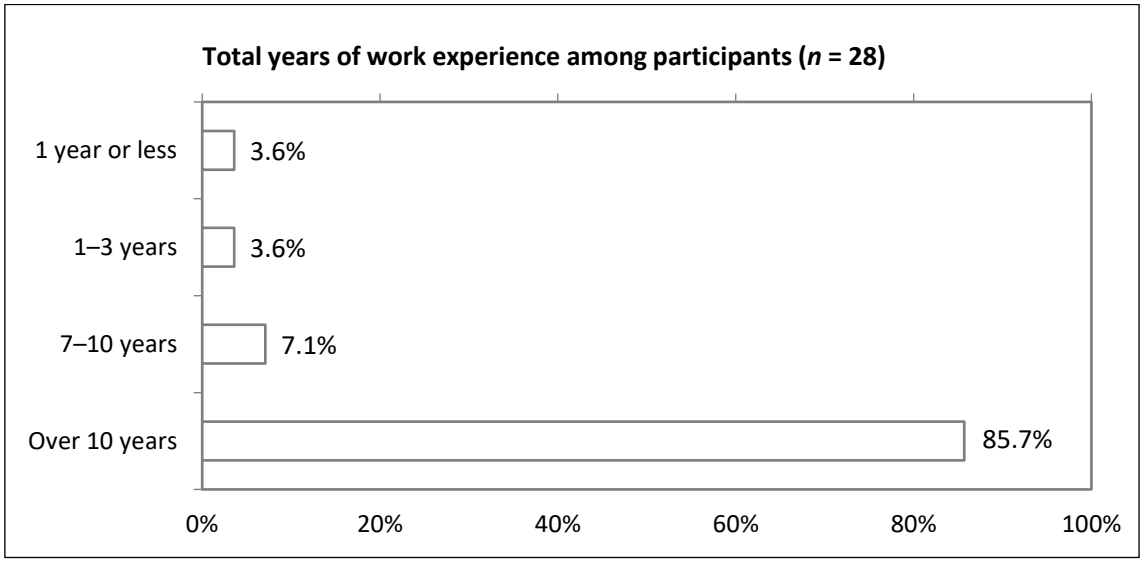

Figure 13. Total years of work experience among participants.

The analysis demonstrated that 23 out of 28 respondents (82.1%) had a current management position, with titles such as manager, director, CEO, chief operating officer (COO), chief growth officer (CGO), head of strategic business unit, senior vice president (SVP), and vice president (VP). There were also three (10.7%) entrepreneurs, and the remaining two professional titles, customer service coordinator and technical sales, were associated with one respondent each (3.6%). Respondents´ current job titles are presented in Table 9.

Table 9. Respondents´ current job titles.

Title	Frequency	Percentage
Chief executive officer (CEO)	3	10.7%
Development manager	3	10.7%
Director	3	10.7%
Entrepreneur	3	10.7%
Key account manager	2	7.1%
Chief growth officer (CGO)	1	3.6%
Chief operating officer (COO)	1	3.6%
Client manager	1	3.6%
Customer service coordinator	1	3.6%
Export manager	1	3.6%
Head of strategic business unit	1	3.6%
International sales manager	1	3.6%
Logistics manager	1	3.6%
Operational manager	1	3.6%
Project manager	1	3.6%
Purchasing manager	1	3.6%
Senior vice president (SVP) of sales and marketing	1	3.6%
Technical sales	1	3.6%
Vice president (VP) of sales operations	1	3.6%
Total	**28**	**100.0%**

Out of 28 respondents, 39.3% (*n* = 11) had two to three years of work experience at their current position, while 32.1% (*n* = 9) had four to six years of experience. Furthermore, 14.3% (*n* = 4) had more than 10 years of work experience, 10.7% (*n* = 3) had seven to 10 years of work experience, and 3.6% (*n* = 1) had one year or less of work experience. These figures are summarized in Figure 14.

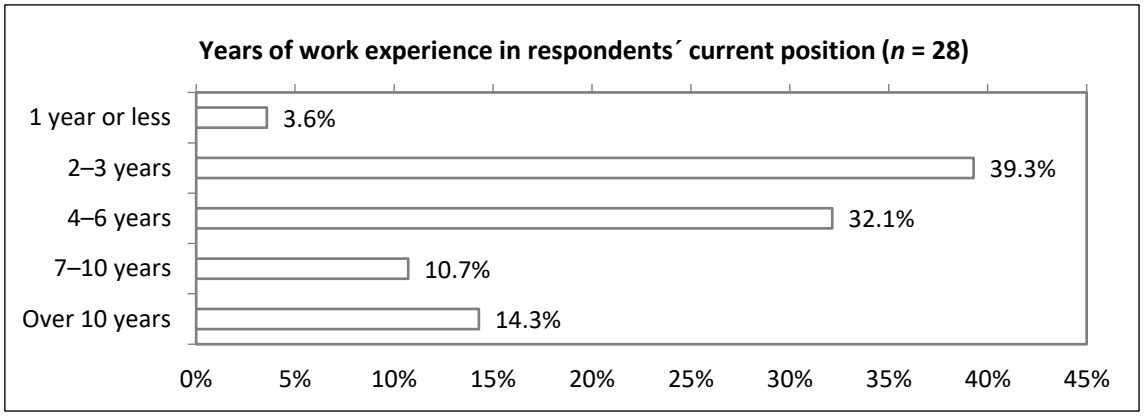

Figure 14. Years of work experience in respondents´ current position.

The descriptive statistics also provided background information on the sector that respondents work in. Out of 28 respondents, 17.9% (*n* = 5) worked in the maritime sector, 17.9% (*n* = 5) worked in the food and beverage sector, 14.3% (*n* = 4) worked in the service sector, 7.1% (*n* = 2) worked in the energy sector, 7.1% (*n* = 2) worked in the chemical sector, and 3.6% (*n* = 1) worked in the metal sector. The remaining 32.1% (*n* = 9) of respondents worked in other sectors, namely Software-as-a-Service (SaaS), tools for internal logistics, equipment for dismounted soldiers, consulting in Information and Communication Technology (ICT), trade house development, forestry, industrial and government measurements, business-to-business wholesale, and logistics. The sectors that participants work in are shown in Figure 15.

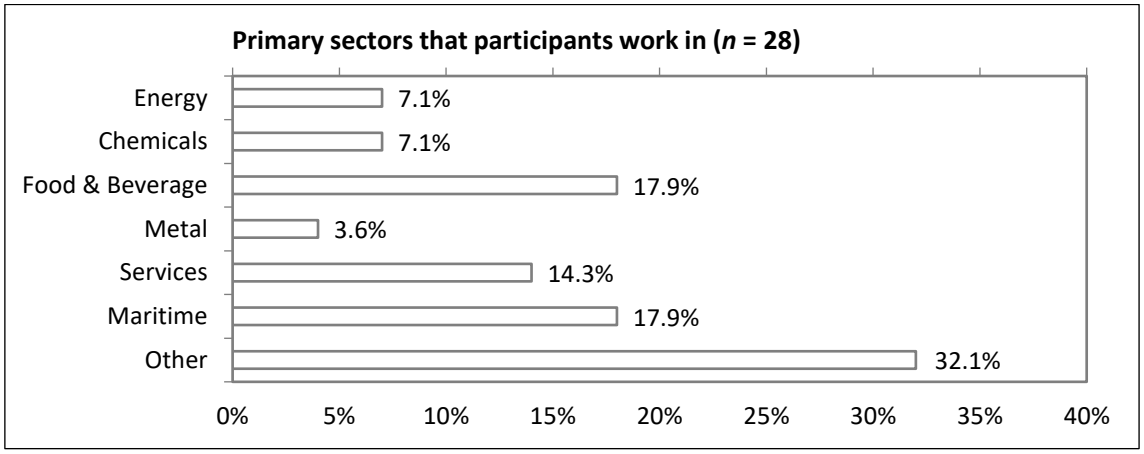

Figure 15. Primary sectors that participants work in.

In terms of company size, the number of employees at participants´ companies varied between less than 20 employees and over 500 employees. The mean number of employees was 76 (*M* = 3.57), the standard deviation was 2.41, skewness was .529, and kurtosis was -1.381. Out of 28 respondents, eight (28.6%) worked for companies with more than 500 employees, seven (25%) worked for companies with less than 20 employees, six (21.4%) worked for companies with 51–100 employees, and five (17.9%) respondents worked for companies with 21–50 employees. Moreover, one respondent each (3.6%) worked for companies with 101–200 employees and companies with 201–300 employees. These results are summarized in Figure 16.

Figure 16. Number of employees at participants´ companies.

In addition, over half of the respondents (53.6%; *n* = 15) had over 10 years of experience in IBNs, 21.4% (*n* = 6) respondents had six to 10 years of experience with IBNs, 14.3% (*n* = 4) had three to five years of experience with IBNs, and 10.7% (*n* = 3) had one to two years of experience with IBNs. The respondents´ years of experience with IBNs is presented in Figure 17.

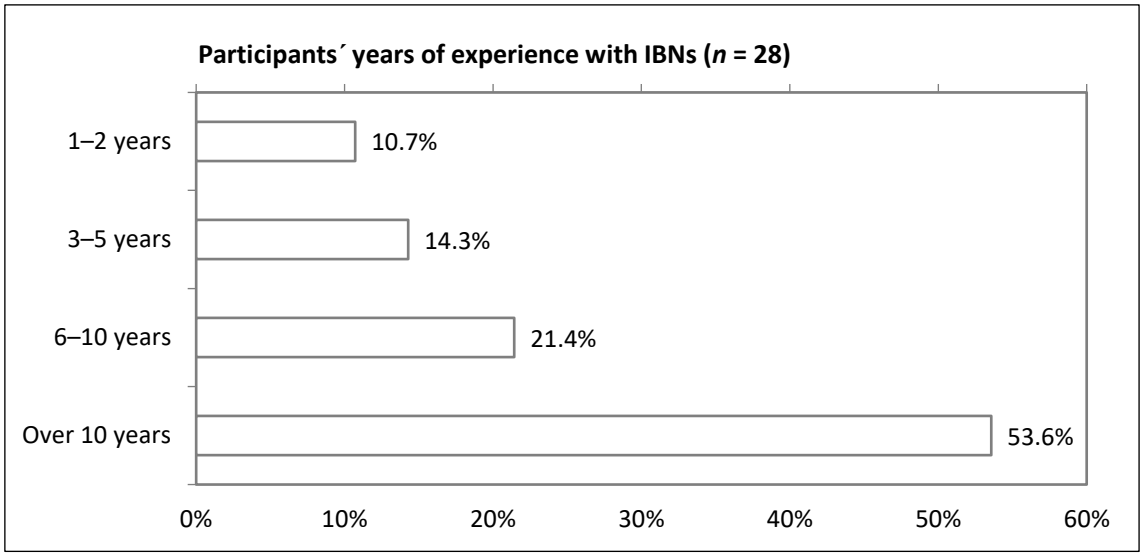

Figure 17. Participants´ years of experience with IBNs.

The following descriptive statistics illustrate participants´ negotiation behavior, including how often they participated in IBNs (see Figure 18). Out of 28 respondents, 46.4% (*n* = 13) reported frequently participating in IBNs, 28.6% (*n* = 8) reported very frequently participating in IBNs, 17.9% (*n* = 5) reported sometimes participating in IBNs, and 7.1% (*n* = 2) reported seldom participating in IBNs.

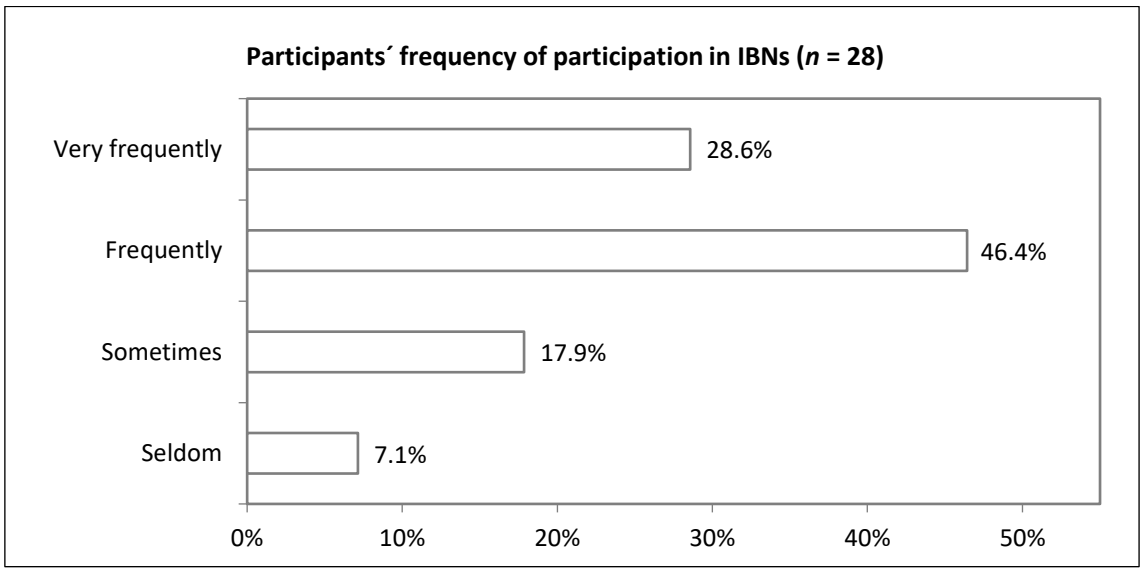

Figure 18. Participants´ frequency of participation in IBNs.

Figure 19 shows the number of IBNs in which respondents participated over the past three years. The number of IBNs generally varied between less than 20 and over 150. The mean number of IBNs was 54 (*M* = 4.07), the standard deviation was 1.274, skewness was .088, and kurtosis was -.956. Out of 28 respondents, eight (28.6%) participated in 51–100 IBNs over the past three years, seven (25%) participated in 20–50 IBNs, five (17.9%) participated in 101–150 IBNs, five (17.9%) participated in over 150 IBNs, and three (10.7%) respondents participated in fewer than 20 IBNs.

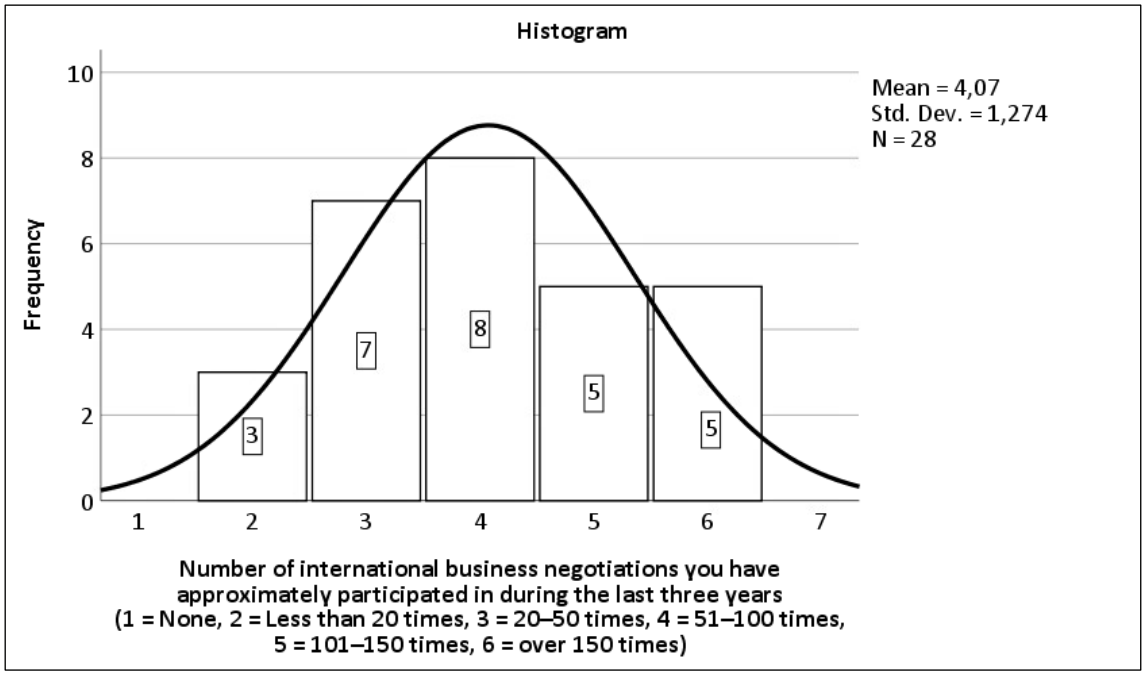

Figure 19. Number of IBNs that respondents participated in the past three years.

Figure 20 shows the number of international FTF business negotiations respondents participated in over the past three years. This number of international FTF business negotiations varied between none and more than 150. The mean value of FTF-IBNs was 2.75, standard deviation was 1.005, skewness was 1.254, and kurtosis was 2.747. Out of 28 respondents, 12 (42.9%) participated in less than 20 FTF international business negotiations over the past three years, 10 (35.7%) participated in 20–50 FTF negotiations, four (14.3%) participated in 51–100 FTF negotiations, one (3.6%) participated in more than

150 FTF negotiations, and one (3.6%) did not participate in any FTF international business negotiations.

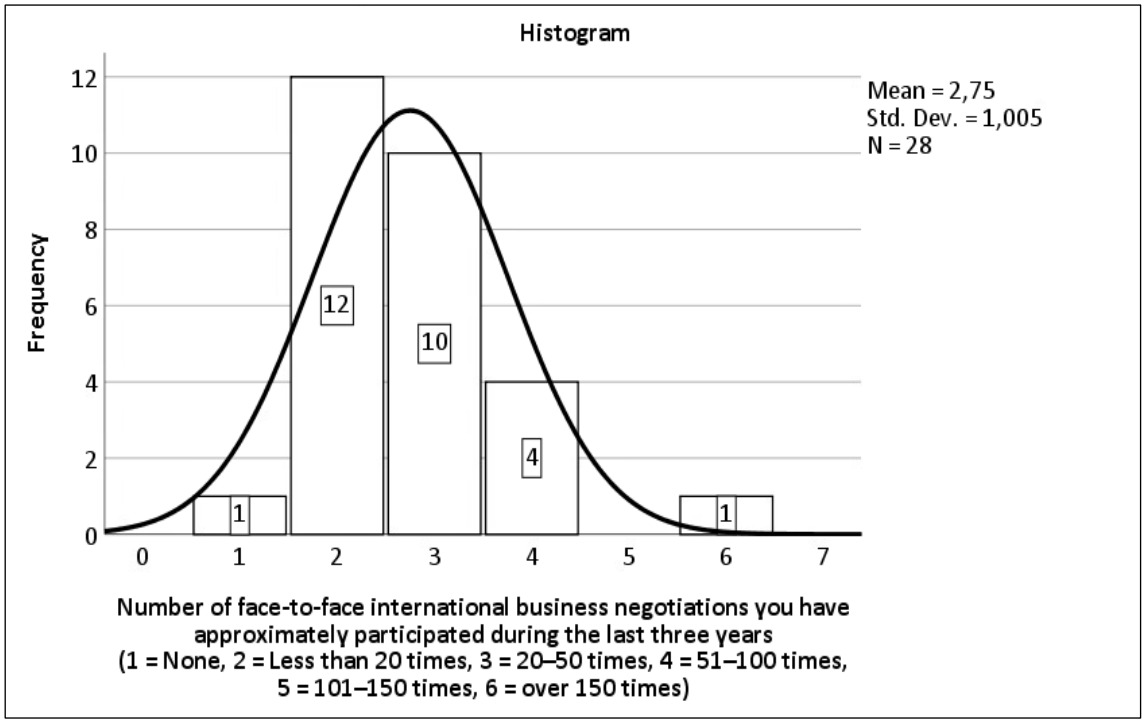

Figure 20. Number of FTF-IBNs that respondents participated in the past three years.

Figure 21 shows the number of international video negotiations respondents participated in over the past three years. This number of V-IBNs varied between less than 20 and over 150. The mean number of video negotiations was 33 (*M* = 3.43), the standard deviation was 1.289, skewness was .673, and kurtosis was -.386. Out of 28 respondents, eight (28.6%) participated in less than 20 video international business negotiations over the past three years, and eight (28.6%) participated in 20–50 video negotiations. Moreover, seven (25%) respondents participated in 51–100 video negotiations, three (10.7%) participated in more than 150 video negotiations, and two (7.1%) participated in 101–150 video negotiations.

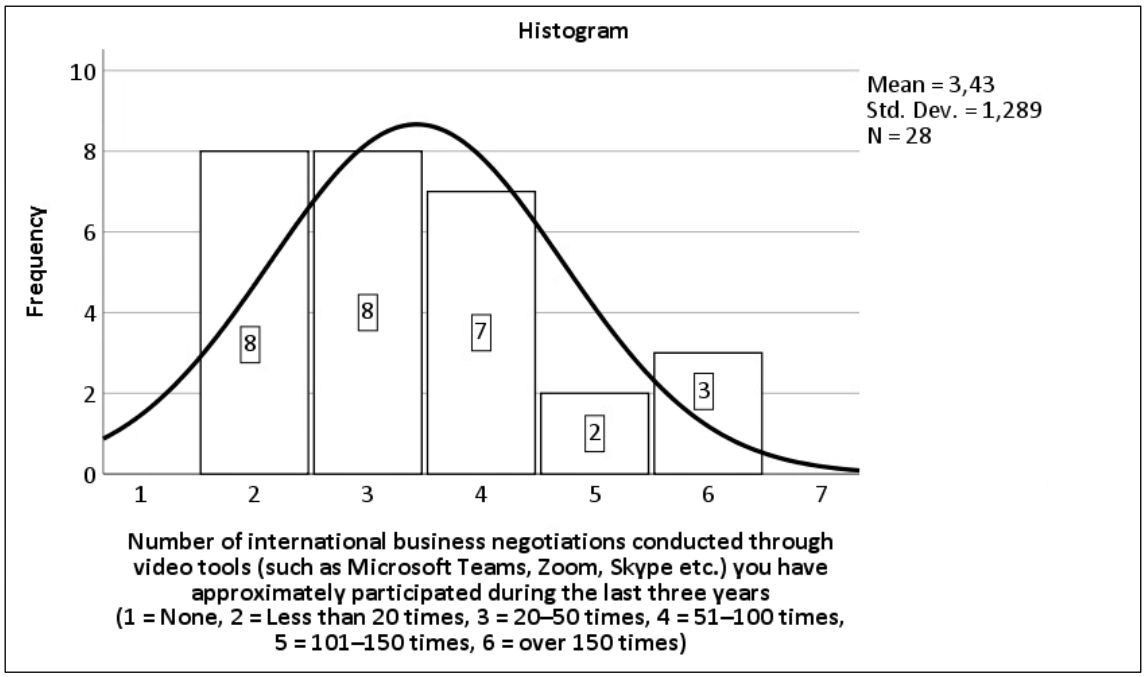

Figure 21. Number of V-IBNs that respondents participated in the past three years.

4.2 Confirmatory factor analysis

CFA was used to measure negotiation behavior constructs in the study. The model´s structure was based on Table 7 of operationalization variables presented in Section 3.3.3. The factor loads generated by the CFA for the 14 negotiation behavior constructs are shown in Table 10. The higher the internal correlation between responses, the more likely that a particular variable affected the factor under study

This study followed the rule that Cronbach´s alpha value in CFA should be .70 or greater (Credé & Harms, 2015, p. 854). The table demonstrated that more than one question was defined for the following seven investigated constructs: goal, attitudes, personal style, communication style, time sensitivity, emotionalism, and risk-taking. Factor analysis indicates that Cronbach´s alpha value for these constructs was greater than .70, which confirms internal correlation. For the construct of negotiation goal, item 3 was removed and excluded from the analysis, as it had an internal correlation of less than .70. The analysis of the remaining seven constructs, agreement form, agreement building, team

organization, information sharing, trust, negotiation speed, and negotiation satisfaction, was based on one research question and resulted in a Cronbach´s alpha value of 1.

Table 10. Results of confirmatory factor analysis.

Construct	Item	Included or removed	Alpha
Goal	1	Included	0.934
	2	Included	
	3	Removed	
Attitudes	1	Included	0.901
	2	Included	
Personal style	1	Included	0.845
	2	Included	
	3	Included	
Communication style	1	Included	0.836
	2	Included	
Time sensitivity	1	Included	0.886
	2	Included	
Emotionalism	1	Included	0.844
	2	Included	
Agreement form	1	Included	1
Agreement building	1	Included	1
Team organization	1	Included	1
Risk-taking	1	Included	0.725
	2	Included	
Information sharing	1	Included	1
Trust	1	Included	1
Negotiation speed	1	Included	1
Negotiation satisfaction	1	Included	1

4.3 Analysis of differences and hypothesis testing

The *t*-test of an independent sample was used to evaluate a hypothesis; the purpose was to determine the effects of FTF and video communication modes on the behavior of Finnish negotiators in IBNs. The dependent variables (i.e., the negotiation elements) were continuous variables estimated on a five-point Likert scale. The independent variable (i.e., communication methods) was divided into two categories: FTF-IBNs and V-IBNs. When interpreting mean value in the analysis of results, a value below 3 was considered low, and a value above 3 was considered high.

The overall sample after the independent samples *t*-test demonstrated a significant difference between FTF and video negotiation modes in seven out of 14 negotiation elements (see Table 11). There was an extremely ($p \leq .001$) significant difference between video and FTF negotiations for three elements: personal style ($t = 3.767$, $df = 46.030$, $p = .000$), negotiation speed ($t = 3.779$, $df = 53.998$, $p = .000$), and negotiation satisfaction ($t = -4.315$, $df = 52.236$, $p = .000$). Moreover, a very ($p \leq .01$) significant difference was observed between FTF and video modes for three out of 14 negotiation elements: negotiation goal ($t = -2.696$, $df = 45.811$, $p = .01$), risk-taking ($t = -2{,}730$, $df = 53{,}916$, $p = .009$), and negotiator trust ($t = -3.083$, $df = 53.304$, $p = .003$). Lastly, a significant ($p \leq .05$) difference was observed between FTF and video negotiations for one element: emotionalism ($t = -2.356$, $df = 54$, $p = .022$).

Table 11. *T*-test results for hypothesis testing.

Negotiation element	**Mean values for each communication mode**	***T*-value**	***P*-value**	**Accept or reject**	**Hypothesis**
Goal (contract vs. relationship)	Video = 3.304 Face to face = 4.089	-2.696 (45.811)	.01 **	Accept	H1
Attitudes (win-lose vs. win-win)	Video = 3.821 Face to face = 3.857	-.140 (50.362)	.889	Accept	H2
Personal style (informal vs. formal)	Video = 2.907 Face to face = 2.157	3.767 (46.030)	.000 ***	Accept	H3
Communication style (indirect vs. direct)	Video = 3.911 Face to face = 3.750	.803 (54)	.425	Accept	H4
Time sensitivity (low vs. high)	Video = 3.929 Face to face = 3.929	.000 (54)	1	Accept	H5
Emotionalism (low vs. high)	Video = 2.339 Face to face = 2.946	-2.356 (54)	.022 *	Accept	H6
Agreement form (general vs. specific)	Video = 3.54 Face to face = 3.61	-.388 (54)	.700	Accept	H7
Agreement building (bottom-up vs. top-down)	Video = 3.79 Face to face = 3.89	-.543 (54)	.589	Accept	H8
Team organization (one leader vs. consensus)	Video = 3.54 Face to face = 3.71	-.719 (54)	.475	Accept	H9
Risk-taking (low vs. high)	Video = 2.893 Face to face = 3.393	-2.730 (53.916)	.009 **	Accept	H10
Information sharing (low vs. high)	Video = 4.18 Face to face = 4.11	.287 (53.837)	.775	Accept	H11
Negotiation speed (low vs. high)	Video = 3.54 Face to face = 2.61	3.779 (53.998)	.000 ***	Accept	H12
Trust (low vs. high)	Video = 3.79 Face to face = 4.32	-3.083 (53.304)	.003 **	Accept	H13
Negotiation satisfaction (low vs. high)	Video = 3.57 Face to face = 4.18	-4.315 (52.236)	.000 ***	Accept	H14

Note. * $p \leq .05$, ** $p \leq .01$, *** $p \leq .001$.

The evidence supported all 14 hypotheses (see Table 11). H1 stated that, for the element of negotiation **goal**, Finnish negotiators involved in FTF-IBNs demonstrate more relationship-building behavior than those engaged in V-IBNs. The mean value for negotiation goal was higher in FTF negotiations (4.089) than in video negotiations (3.304), and the *t*-test (p = .01) provided very strong evidence for the effect of communication mode on negotiation goal. Therefore, H1 was accepted. Overall, the high mean values for both communication modes indicate that Finnish IB negotiators generally favored relationships over contracts. However, a higher mean value for FTF negotiations compared to video negotiations indicates that participants valued relationship building in FTF-IBNs more than in V-IBNs.

H2 stated that, for the element of **attitudes**, a win-win attitude would be prevalent among Finnish negotiators in both FTF-IBNs and V-IBNs. Mean values were high for both video (3.821) and FTF negotiations (3.857). Therefore, H2 was accepted. Overall, the high mean values for both communication modes indicate that participants favored a win-win attitude over a win-lose attitude in FTF-IBNs and V-IBNs.

H3 stated that, for the element of **personal style**, an informal personal style would be more prevalent among Finnish negotiators involved in FTF-IBNs than those engaged in V-IBNs. The mean value of the personal style element tended to be more informal in FTF (2.157) Finnish negotiators than in the video mode (2.907), and the *t*-test (p = .000) provided extremely strong evidence for the effect of communication mode on personal style. Therefore, H3 was accepted. Generally, low mean values demonstrate that participants favored an informal personal style over a formal one in both FTF and video negotiations. However, the lower mean value for FTF-IBNs than V-IBNs indicates that they preferred an informal personal style in FTF-IBNs rather than in V-IBNs.

H4 stated that a direct **communication style** would be prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs. Finnish IBN negotiators valued a direct communication style, with mean values in the video (3.911) and FTF (3.750) communication

modes, which means that the results did not indicate whether there was a statistically significant difference between modes. Therefore, H4 was accepted. Overall, the high mean values for both communication modes demonstrate that participants preferred a direct communication style to an indirect communication style. However, the higher mean value in V-IBNs than in FTF-IBNs indicates that they valued a direct communication style more in V-IBNs than in FTF-IBNs.

H5 stated that **time sensitivity** would be high among Finnish negotiators involved in FTF-IBNs and V-IBNs. The behavior of Finnish IB negotiators in the time sensitivity element is high, with mean values in the video (3.929) and FTF (3.929). The *P*-value (1) indicates that the difference between the communication modes only occurred by chance. Therefore, H5 was accepted. Overall, the high mean values for both communication modes indicate that participants valued high time sensitivity rather than low time sensitivity in FTF-IBNs and V-IBNs.

H6 stated that **emotionalism** would be low among Finnish negotiators involved in FTF-IBNs and V-IBNs. Emotionalism was relatively low in both modes; the mean values were 2.339 for video negotiations and 2.946 for FTF negotiations. Moreover, the *t*-test (p = .022) provided strong evidence for the effect of communication mode on emotionalism. Therefore, H6 was accepted. Overall low mean values for both communication modes demonstrate that participants favored low emotionalism over high emotionalism in both contexts. However, the lower mean value in V-IBNs than in FTF-IBNs indicates that they valued low emotionalism more in V-IBNs than in FTF-IBNs.

H7 stated that specific **agreement form** would be prevalent among Finnish negotiators involved in both FTF-IBNs and V-IBNs. Specific agreements were more prevalent for both communication modes; the mean value for video negotiations was 3.54 and 3.61 for FTF negotiations. Therefore, H7 was accepted. However, there was no statistically significant difference between modes. Overall, the high mean values for both communication modes demonstrate that participants favored specific agreement forms in video and FTF

negotiations. However, the higher mean value in FTF-IBNs than in V-IBNs indicates that participants valued specific agreements more in FTF-IBNs than in V-IBNs.

H8 stated that top-down **agreement building** is prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs. The top-down approach to agreement building was prevalent for both modes of communication; the mean value was 3.79 for video negotiations and 3.89 for face-to-face negotiations. There was no statistically significant difference in agreement-building behavior between modes. However, there was evidence to support the hypothesis, as top-down behavior was predominant in both communication modes; so H8 was accepted. Overall, the high mean values for both communication modes demonstrate that participants preferred top-down agreement building in FTF and video negotiations. However, the higher mean value in FTF-IBNs than in V-IBNs indicates that Finnish negotiators valued top-down agreement building more in FTF-IBNs than in V-IBNs.

H9 stated that, for the element of **team organization**, consensus behavior would be prevalent among Finnish negotiators involved in FTF-IBNs and V-IBNs. The results demonstrate that this was the case in both modes; the mean value for video negotiations was 3.54 and 3.71 for FTF negotiations. There was no statistically significant difference in team organization between modes. However, the evidence supports the hypothesis, as consensus behavior was prevalent in both modes of communication; thus, H9 was accepted. Overall, the high mean values for both communication modes demonstrate that participants favored consensus behavior in FTF and video negotiations. However, the higher mean value in FTF-IBNs than in V-IBNs indicates that they valued consensus behavior more in FTF-IBNs than in V-IBNs.

H10 stated that **risk-taking** would be more prevalent among Finnish negotiators involved in FTF-IBNs than in V-IBNs. This was indeed the case, as the mean value for FTF-IBNs was 3.393 and 2.893 for V-IBNs. The *t*-test (p = .009) provided very strong evidence of the effect of communication mode on risk-taking. Therefore, there was support for H10.

Overall, the mean values indicate that Finnish IB negotiators valued high risk-taking in FTF-IBNs and low in V-IBNs. Consequently, the higher mean value in FTF-IBNs than in V-IBNs indicates that Finnish negotiators valued more risk-taking behavior in FTF-IBNs than in V-IBNs.

Next, results for the four negotiation elements added to Salacuse´s (1998) framework (i.e., information sharing, negotiation speed, trust, and negotiation satisfaction) in this study are presented. H11 stated that **information sharing** would be high among Finnish negotiators involved in FTF-IBNs and V-IBNs. Information sharing was high in both modes; the mean value for video negotiations was 4.18 and 4.11 for FTF negotiations. Thus, H11 was accepted. Overall, the high mean values for both communication modes demonstrate that participants valued information sharing. However, the higher mean value in V-IBNs than in FTF-IBNs indicates that they valued information sharing more in V-IBNs than in FTF-IBNs.

H12 stated that **negotiation speed** would be higher among Finnish IB negotiators involved in V-IBNs than in FTF-IBNs. Negotiation speed was indeed higher in video negotiations (M = 3.54) than in FTF negotiations (M = 2.61). In addition, the t-test (p = .000) provided extremely strong evidence of the influence of communication mode on the negotiation behavior of Finnish IB negotiators. Therefore, H12 was accepted. Overall, the mean values demonstrate that participants valued high negotiation speed more in V-IBNs than in FTF-IBNs.

H13 stated that **trust** would be higher among Finnish IB negotiators involved in FTF-IBNs than in V-IBNs. Indeed, the mean value was higher in FTF negotiations (M = 4.32) than in video negotiations (M = 3.79). Moreover, the t-test (p = .003) provided very strong evidence of the effect of communication mode on trust. Therefore, H13 was accepted. Overall, the high mean values for both communication modes demonstrate that participants favored high trust. However, the higher mean value in FTF-IBNs than in V-IBNs indicates that they valued trust more in FTF-IBNs than in V-IBNs.

Lastly, H14 stated that **negotiation satisfaction** would be high among Finnish negotiators involved in FTF-IBNs and V-IBNs. The mean value for video negotiations was 3.57 and 4.18 for FTF negotiations. Furthermore, the *t*-test (p = .000) provided extremely strong evidence for the effect of communication mode on negotiation satisfaction. Therefore, H14 was accepted. Overall, the high mean values for both communication modes demonstrate that participants preferred high negotiation satisfaction to low satisfaction. However, the higher mean value in FTF-IBNs than in V-IBNs indicates that they valued negotiation satisfaction more in FTF-IBNs than in V-IBNs.

In summary, the results demonstrated that Finnish negotiators in FTF-IBNs and V-IBNs valued similar negotiation behavior regardless of communication mode. However, differences between FTF and video negotiations were statistically significant for seven elements. Consequently, the study´s results confirmed the developed hypotheses, which indicated that the theory of the field, previous studies, and general knowledge about the negotiation behavior of Finnish IB negotiators were consistent. In the next subsection, differences in negotiation tendencies between FTF and video negotiations and the participants´ views of the advantages and disadvantages of FTF and video negotiations are discussed.

4.3.1 Differences in video negotiation tendencies

The following descriptive statistics provide background information on the participants´ behavior during the evaluated video negotiation. In addition, respondents´ views on the advantages and disadvantages of video negotiation are presented. Participants´ experience in using video tools is summarized in Figure 22. Out of 28 respondents, 57.1% (n = 16) had moderate experience with video tools, 14.3% (n = 4) had extensive experience, 10.7% (n = 3) had little experience, 7.1% (n = 2) had very extensive experience, 7.1% (n = 2) had no experience, and 3.6% (n = 1) had very little experience.

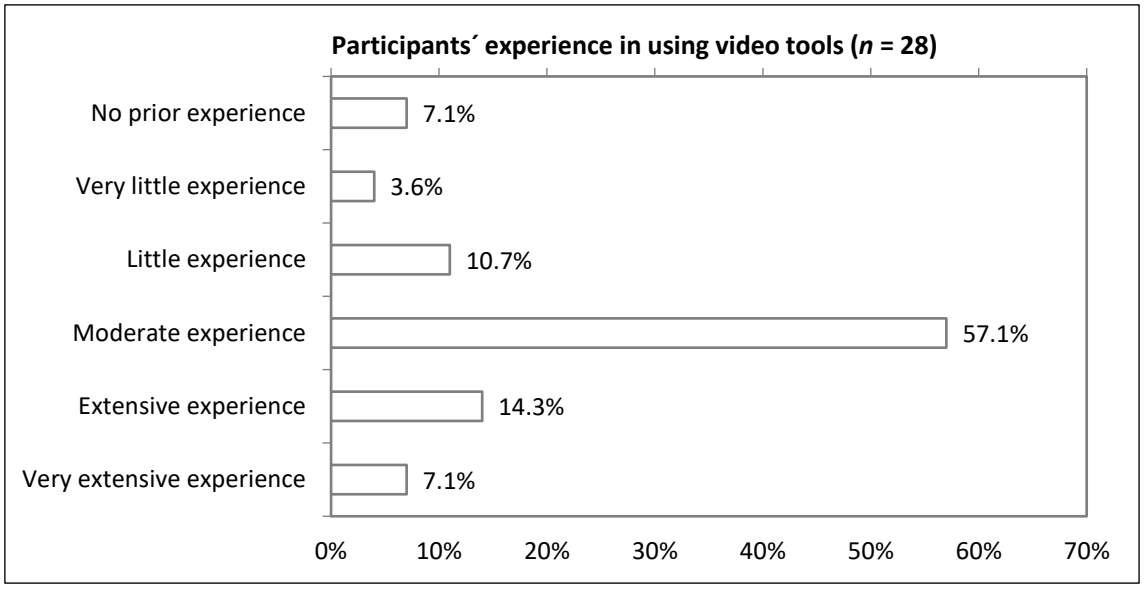

Figure 22. Participants´ experience in using video tools**.**

Figure 23 shows the role of the negotiating counterpart in selected V-IBN. Of the 28 respondents, 39.3% (*n* = 11) reported that the negotiating partner represented the buyer, 32.1% (*n* = 9) represented the supplier, 10.7% (*n* = 3) represented alliance partner, 7.1% (*n* = 2) represented the distributor, and 3.6% (*n* = 1) represented joint venture partner. In addition, 7.1% (*n* = 2) of respondents played the role of business leads and specialists.

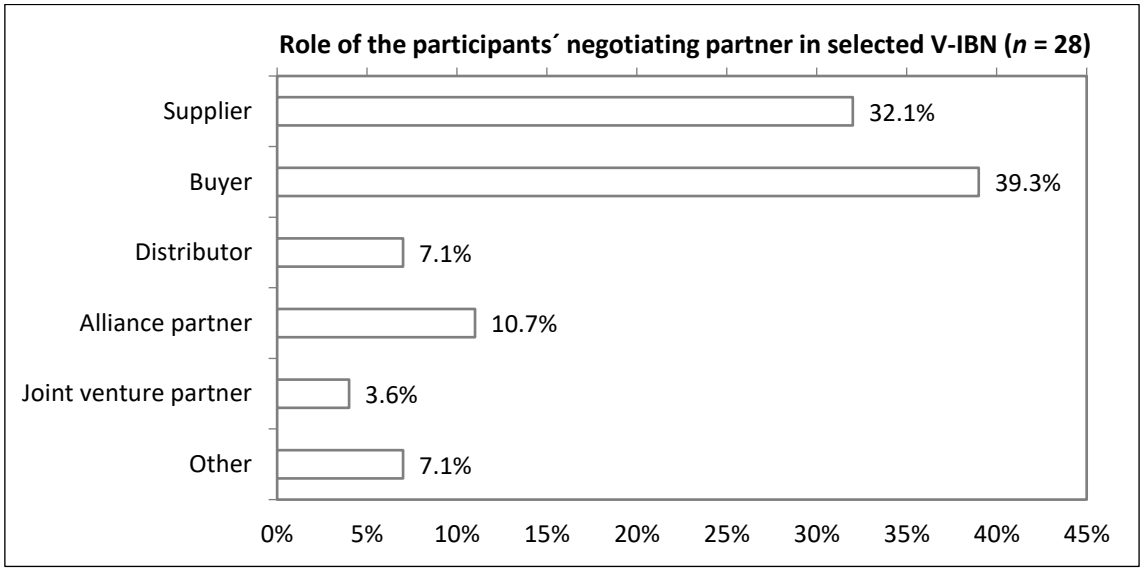

Figure 23. Role of the participants´ negotiating partner in selected V-IBN.

Figure 24 shows the number of years of cooperation the respondents had with their negotiation partner at the time of V-IBN. This varied between no prior experience and over 10 years. The mean number of years of experience in cooperation was 1.1 years (*M* = 3.14), the standard deviation was 1.38, skewness was .180, and kurtosis was -.267. Out of 28 respondents, nine (32.1%) had three to six years of experience, seven (25%) had one to two years of experience, five (17.9%) had less than one year of experience, four (14.3%) had no experience, two (7.1%) had over 10 years of experience, and one (3.6%) had seven to 10 years of experience in cooperation.

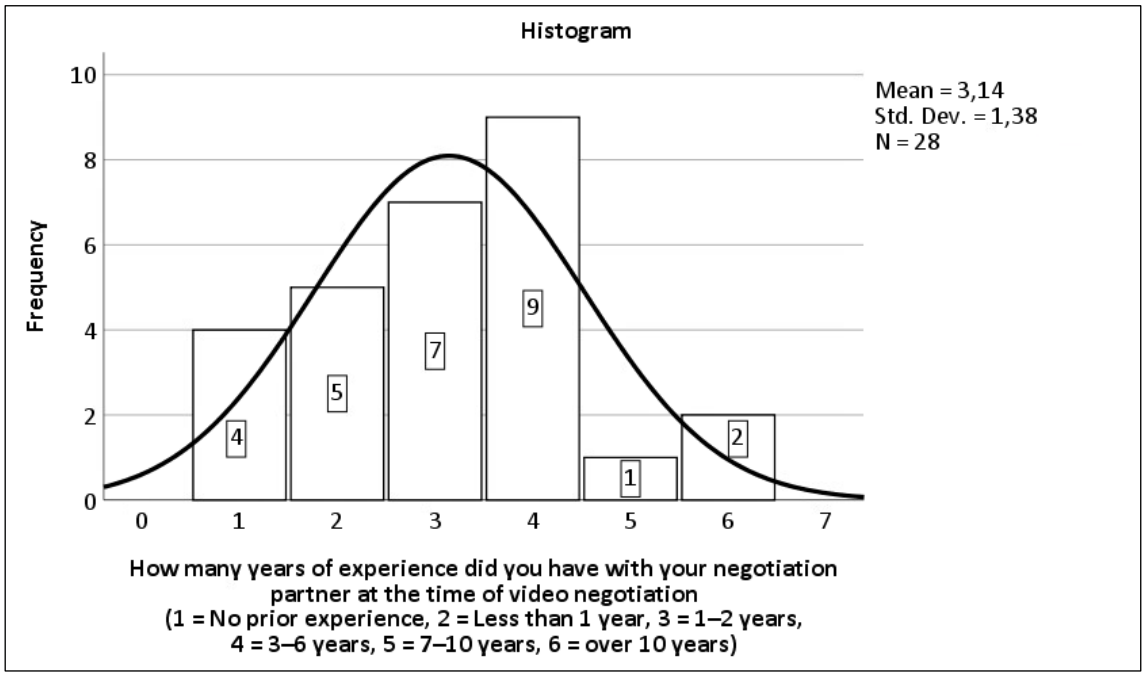

Figure 24. Years of experience with a partner at the time of V-IBN.

The nationality of respondents´ negotiation partners in V-IBNs is shown in Table 12. The sample included 23 nationalities, with a total frequency of 54; this indicates significant variation in the nationality of negotiating partners. The five most common nationalities comprised 46.5% of the sample. Each of these nationalities (i.e., Chinese, German, Swedish, British, and American) accounted for 9.3% (*n* = 5). In addition, 7.4% (*n* = 4) of negotiation partners were of Dutch and 5.6% (*n* = 3) were both Danish and Italian. The remaining 15 nationalities accounted for 3.7% (*n* = 2), or 1.9% (*n* = 1) each.

Table 12. Nationality of respondents´ negotiation partners in V-IBNs.

Nationality	Frequency	Percentage
1. Chinese	5	9.3%
2. German	5	9.3%
3. Swedish	5	9.3%
4. British	5	9.3%
5. American	5	9.3%
6. Dutch	4	7.4%
7. Danish	3	5.6%
8. Italian	3	5.6%
9. French	2	3.7%
10. Russian	2	3.7%
11. Taiwanese	2	3.7%
12. Emirati	2	3.7%
13. Australian	1	1.9%
14. Belarusian	1	1.9%
15. Belgian	1	1.9%
16. Egyptian	1	1.9%
17. Estonian	1	1.9%
18. Hong Kongese	1	1.9%
19. Indian	1	1.9%
20. Irish	1	1.9%
21. Monacan	1	1.9%
22. Polish	1	1.9%
23. Saudi Arabian	1	1.9%
Total	**54**	**100.0%**

Participants´ views on the **advantages of video negotiations** can be divided into four main themes: time and money savings, a more efficient negotiation process, information sharing, and trust and relationship building. Respondents emphasized the first theme. A reduction in business travel enabled them to save time, which they used to meet other customers. With the possibility of video negotiations, the participants found international business travel partly useless. As travel declined, they highlighted cost savings at organizational and personal levels.

Regarding the second theme, respondents indicated that video negotiations were efficient to organize. The invitation time for negotiations was shorter in video negotiations than in FTF negotiations, as was the meeting duration. Similarly, when changes occurred, it was easy to reschedule meetings. The effectiveness of video negotiations enabled

participants to hold more daily or weekly meetings, and video negotiations could be used to reach partners worldwide, regardless of location.

Furthermore, the versatility of information sharing in video negotiations was the third advantage. Respondents indicated that video platforms were valuable tools for sharing documents and other information needed for negotiations. In addition, they were optimistic about visual contact through video, as the ability to see the other party during the negotiation was perceived as an advantage. Building trust and relationships was perceived as the fourth advantage of video negotiations. Respondents experienced video negotiation as helpful to developing the relationship between the parties once it was established. More frequent video negotiations are held between other tasks, thus fostering the relationship between the parties.

Participants´ views on the **disadvantages of video negotiations** can be divided into three main themes: interpretation of body language, technical problems, and the elements of negotiation behavior. First, respondents found that reading body language in video connections was challenging. The nuances of the interlocutor´s reactions, such as gestures, are more difficult to detect than they would be in FTF negotiations. Respondents stated that some users even turned off the camera, which made it impossible to interpret body language. Moreover, the respondents stated that if more than one person participated in the meeting, it could be challenging in video negotiations to understand when it is the right moment to present one´s point of view on the discussed matter.

Second, technical problems posed a challenge in video negotiations and caused unnecessary delays. Especially at the beginning of a negotiation, it is difficult to ensure that all parties´ audio and video work, especially with inexperienced users. If the other party is unaccustomed to video tools, one must be patient with their learning. In addition, respondents argued that bandwidth was sometimes an issue, and video quality suffered as a result. They also found it challenging to build relationships with other parties in video negotiations, especially new business partners. According to them, V-IBNs was not

a substitute for FTF-IBNs because they were not conducive to a personal connection. Thus, respondents emphasized that building a deeper relationship with customers requires FTF meetings and getting to know the negotiating partner in person. In addition, video negotiations do not allow negotiators to familiarize themselves with a partner´s company facilities or corporate culture.

Lastly, in video negotiation, negotiators´ personal style tends to be perceived as more formal than in FTF negotiations. Respondents noted that there was little informal discussion in video negotiations, meaning that informal non-business-related discussions remained low due to the use of video connections. In addition, communication style is perceived as more direct in V-IBNs, and dialogue occurs more rapidly than in FTF-IBNs. The element of team organization is a challenge, especially in Southeast Asian countries, where respondents underlined that the entire negotiating team must make unanimous decisions, which can only occur when parties are in the same room. Finally, participants felt that the number of meetings increased with V-IBNs, which led to frustration and the rejection of some appointments because they took too much time.

4.3.2 Differences in face-to-face negotiation tendencies

The following descriptive statistics contain background information on the participants´ behavior during the evaluated FTF-IBN. In addition, respondents´ views of the advantages and disadvantages of FTF negotiations are presented. Figure 25 summarizes the role played by participants´ negotiating counterparts in the selected FTF-IBN. Out of 28 respondents, 42.9% (*n* = 12) reported that the negotiating partner represented the buyer, 28.6% (*n* = 8) represented the supplier, 10.7% (*n* = 3) represented alliance partner, and 3.6% (*n* = 1) represented the distributor. Other roles (i.e., the end customer, business manager, specialist, and importer) accounted for 14.3% (*n* = 4).

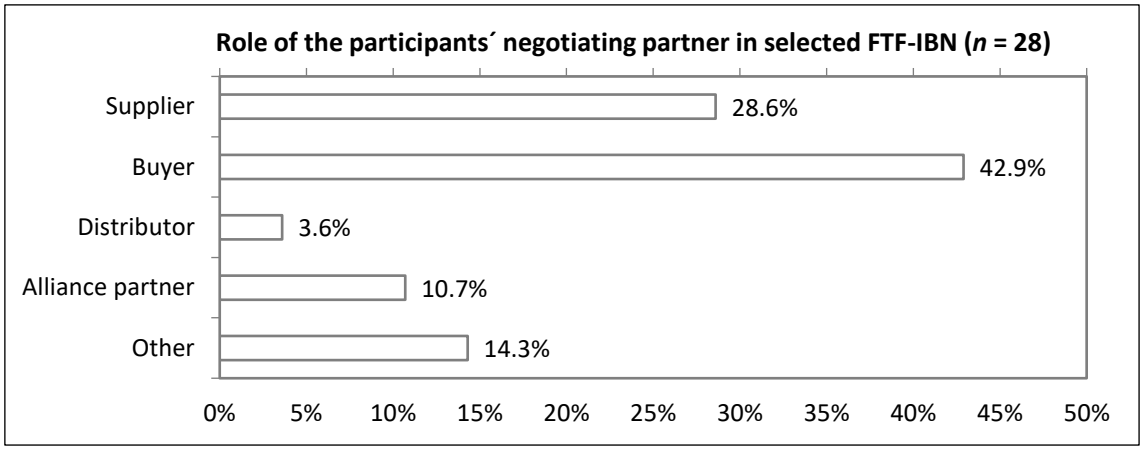

Figure 25. Role of the participants´ negotiating partner in selected FTF-IBN.

The nationalities of respondents´ negotiating partners in FTF-IBNs are shown in Table 13. Negotiating partners represented 14 nationalities, with a total frequency of 29, which suggests a significant variation in the nationality of negotiating partners. The three most common nationalities accounted for 41.4% of the sample (*n* = 12): 17.2% (*n* = 5) of negotiating partners were German, 13.8% (*n* = 4) were Swedish, and 10.3% (*n* = 3) were Italian. The remaining 11 nationalities accounted for either 6.9% (*n* = 2) or 3.4% (*n* = 1) of the sample.

Table 13. Nationality of respondents´ negotiation partners in FTF-IBNs.

Nationality	**Frequency**	**Percentage**
1. German	5	17.2%
2. Swedish	4	13.8%
3. Italian	3	10.3%
4. British	2	6.9%
5. Chinese	2	6.9%
6. Danish	2	6.9%
7. Dutch	2	6.9%
8. French	2	6.9%
9. Russian	2	6.9%
10. Lithuanian	1	3.4%
11. Polish	1	3.4%
12. South-Korean	1	3.4%
13. Swiss	1	3.4%
14. Taiwanese	1	3.4%
Total	**29**	**100.0%**

Figure 26 shows the number of years of cooperation the respondents had with their negotiation partner at the time of FTF-IBN. This varied between no prior experience and over 10 years. The mean years of experience were 1.4 years (*M* = 3.41), the standard deviation was 1.526, skewness was .084, and kurtosis was -.444. Of the 27 respondents, 10 (37%) had three to six years of FTF experience with a negotiation partner, six (22.2%) had one to two years of experience, four (14.8%) had more than 10 years of experience, three (11.1%) had less than one year of experience, and four (14.8%) had no prior experience.

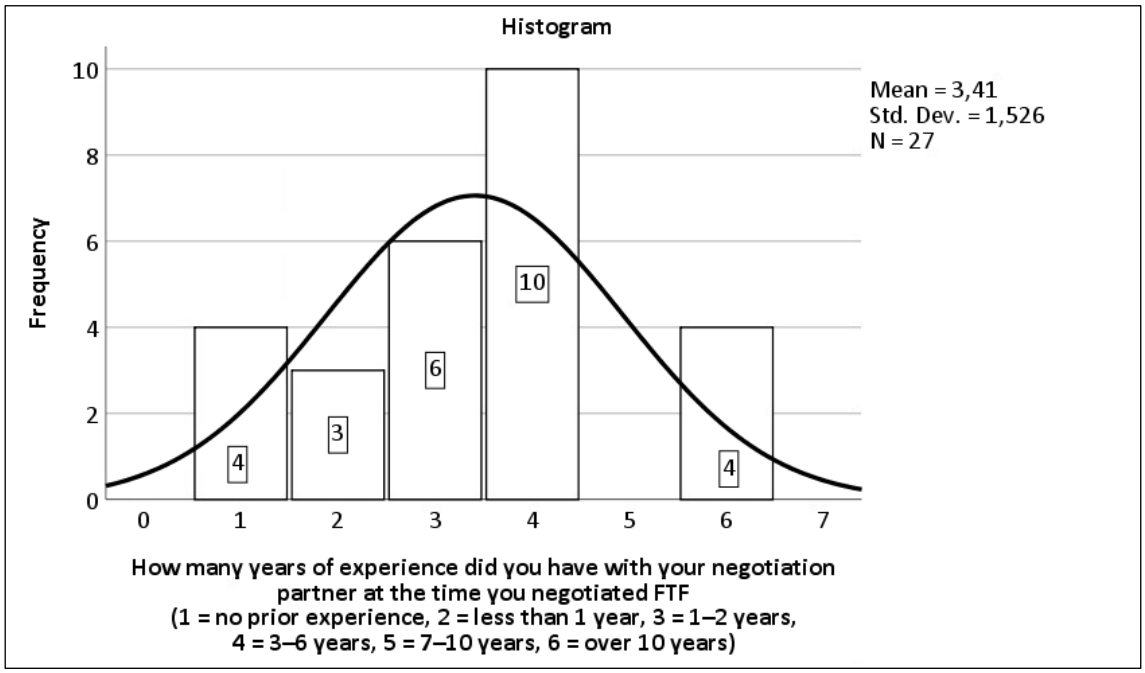

Figure 26. Years of experience with a partner at the time of FTF-IBN.

Participants´ views of the **advantages of FTF negotiations** can be divided into three main themes: trust building, interpretation of body language, and personal negotiation style. Respondents emphasized the ease of building trust in FTF negotiations, which they stated was the best way to enter a partnership, especially with new people or companies. Similarly, they felt that business relationships improved with FTF meetings, which is essential for building long-term relationships. Moreover, respondents indicated that even complex issues, such as contract prices, were easier to discuss in person.

Furthermore, participants highlighted the ease of interpreting body language as an advantage of FTF negotiations. They believed that this helped them understand the other party and fostered better communication without interruptions. The ability to interpret subtle clues also facilitates reading the other party´s unspoken views. In FTF negotiations, cultural aspects can be considered when all parties are in the same room. In addition, depending on the starting point and venue of the negotiations, respondents commented that they could make observations about the other party´s premises, which could be beneficial in reaching the negotiations´ objective.

Finally, the third theme was personal negotiation style. Respondents felt that informal discussions increased understanding of the other party´s needs. They emphasized that informal discussions outside the formal meeting led to deeper trust. In FTF negotiations, respondents felt more relaxed. Lastly, discussing any new business-related terminology that emerged during a project in FTF negotiations was easier.

Participants´ views of the **disadvantages of FTF negotiations** can be divided into three themes: time, costs, and negotiation speed. First, 75% of respondents stated that the time required for business travel and increased costs were drawbacks of FTF negotiations. Moreover, arrangements must be made to ensure that all negotiators, who may be based in different countries, arrive at the same place. Travel is expensive, which entails additional costs for the company and requires organizational resources. Another challenge is scheduling appointments, which respondents perceived as more complex than in video negotiations. FTF negotiations are also considered to take longer than video negotiations because of the issues to be negotiated and the slower progress of meetings. Lastly, it should be noted that 14% of participants did not perceive any disadvantages to FTF negotiations.

5 Discussion and conclusion

The current chapter discusses the results and compares them to findings from previous studies. Next, it presents the study´s theoretical contributions and examines the results´ implications for the management of companies, particularly factors that decision makers should consider when planning IBNs. Finally, a general conclusion and recommendations for further research are provided.

5.1 Discussion of results

The main research gap addressed by this study is a lack of information about the effects of FTF and video communication modes on the behavior of Finnish negotiators in IBNs. Due to its novelty, there is limited empirical evidence on this research topic. Thus, the study aimed to determine how FTF and video negotiations affect the behavior of Finnish IB negotiators.

The research framework was divided into three themes. First, the goal of the study was to increase understanding of the conceptualization of the IBN process, which is based on Ghauri´s (2003a) IBN framework, and the elements that influence negotiation behavior, which are based on Salacuse´s (1998) model of cultural influence in IBNs. Second, the study aimed to investigate the concepts of FTF and video negotiations and their advantages and disadvantages. Thirdly, the study intended to examine the role of the communication method in the elements of the negotiation behavior of the Finnish negotiators participating in the IBN, based on which the research hypotheses were developed. The quantitative data analysis was based on the survey responses of 28 Finnish IB negotiators. The data was analyzed by using an independent samples *t*-test to compare the means of two groups (i.e., FTF and video negotiations) to determine whether there were any statistically significant differences.

Based on the results, it can be concluded that the communication method influenced the negotiation behavior of Finnish international business negotiators. In summary,

there were statistically significant differences between FTF and video negotiations for seven out of 14 negotiation elements: personal style, negotiation speed, negotiation satisfaction, negotiation goal, risk-taking, trust, and emotionalism. By contrast, no statistically significant differences were found for the remaining seven elements (i.e., attitudes, communication style, time sensitivity, agreement form, agreement building, team organization, and information sharing).

The primary purpose of this study was to determine how the FTF and video communication modes affect the behavior of Finnish negotiators in FTF-IBNs and V-IBNs. Thus, the findings are compared to those from previous studies that used Salacuse´s (1998) 10 elements of negotiation behavior. First, with regard to the element of negotiation **goal**, it was found that Finnish IB negotiators valued relationship building in both FTF and video negotiations. This finding aligns with results from previous studies (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). However, a statistically significant difference was found between communication modes, which indicates that Finnish IB negotiators valued relationship building more in FTF-IBNs than in V-IBNs. This result supports Altis´s (2022) finding that FTF-IBNs negotiators value relationship building more than V-IBNs negotiators.

Second, concerning **attitudes**, the results demonstrate that Finnish negotiators valued a win-win attitude in FTF-IBNs and V-IBNs. The findings align with previous studies (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021) that also found that Finnish negotiators valued a win-win attitude. In terms of the third element, **personal style**, Finnish negotiators favored an informal style in FTF-IBNs more than in V-IBNs. Previous studies by Altis (2022) and Metcalf et al. (2006) also report that Finnish IB negotiators value informal behavior in FTF-IBNs. However, Finnish IB negotiators valued an informal personal style in FTF-IBNs more than in V-IBNs; this difference was statistically significant, which Altis (2022) also found. Conversely, Schwarz (2019) found that Finnish Generations X and Y negotiators valued formal behavior. Similarly, Zenad (2021) found that formal behavior was prevalent among Finnish negotiators of Generations X, Y, and Z.

Fourth, regarding **communication style**, Finnish IB negotiators preferred a direct communication style in both FTF-IBNs and V-IBNs. This finding is consistent with previous research (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). Concerning the fifth element, **time sensitivity,** Finnish IB negotiators valued high time sensitivity in both FTF-IBNs and V-IBNs. Previous studies have reported similar results (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). Sixth, Finnish IB negotiators were found to value low **emotionalism** in FTF-IBNs and V-IBNs, which aligns with previous studies by Schwarz (2019) and Zenad (2021). In addition, the lower mean value for emotionalism in V-IBNs than in FTF-IBNs demonstrates that Finnish negotiators valued lower emotionalism more in V-IBNs than in FTF-IBNs, which supports Altis´s (2022) findings. By contrast, Metcalf et al. (2006) found that emotionalism among Finnish international negotiators fell in the middle of the continuum between high and low extremes.

Seventh, Finnish IB negotiators were found to value specific **agreement form** in FTF-IBNs and V-IBNs. This result is consistent with previous studies (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). Findings related to the eighth element, **agreement building**, demonstrate that Finnish IB negotiators valued top-down agreement building in FTF-IBNs and V-IBNs. Altis (2022) and Metcalf et al. (2006) found similar results. By contrast, Schwarz (2019) demonstrated that Finnish Generation X and Y negotiators tended to adopt a bottom-up approach. Meanwhile, Zenad (2021) reported that agreement building among Finnish Generation X, Y, and Z negotiators fell in the middle of the continuum but leaned toward a bottom-up approach.

Regarding the ninth element, **team organization**, the results show that Finnish IB negotiators valued consensus behavior in FTF-IBNs and V-IBNs. This result is consistent with Altis´s (2022) and Zenad (2021) findings, but they diverge from Metcalf et al. (2006) and Schwarz´s (2019) findings. Metcalf et al. and Schwarz found that Finnish negotiators fell between the extremes of single-leader and consensus leadership. Results for the 10th element, **risk-taking**, demonstrate that Finnish IB negotiators valued high-risk behavior in FTF-IBNs and low-risk behavior in V-IBNs. This difference was statistically significant,

which indicates that Finnish negotiators valued risk-taking more in FTF-IBNs than in V-IBNs. This result is consistent with Altis (2022) but diverges from Metcalf et al. (2006), Schwarz (2019), and Zenad (2021), who found that risk-taking behavior fell in the middle of the continuum between high and low.

Moreover, four complementary elements were added to Salacuse´s model in this study. Results for **information sharing**, the 11th element, demonstrate that Finnish IB negotiators valued high information sharing in both FTF-IBNs and V-IBNs. The results are consistent with Altis´s (2022) findings. However, the higher mean value in V-IBNs than in FTF-IBNs indicates that participants valued information sharing more in V-IBNs than in FTF-IBNs. By contrast, Altis (2022) found that Finnish negotiators valued information sharing more in FTF-IBNs than in V-IBNs.

With regard to the 12th element, **negotiation speed**, it was found that Finnish IB negotiators valued high negotiation speed in both FTF-IBNs and V-IBNs. However, a statistically significant difference between modes was found, which indicates that participants valued high negotiation speed more in V-IBNs than in FTF-IBNs. These findings are consistent with Denstadli et al. (2012, p. 84), who stated that video negotiations were generally more rapid than FTF negotiations.

Findings for **trust**, the 13th element, show that Finnish IB negotiators valued high trust in both FTF-IBNs and V-IBNs. However, trust was higher in FTF-IBNs than in V-IBNs; this difference was statistically significant. This finding aligns with Altis´s (2022) results. Similarly, Stein and Mehta (2020) claimed that trust was higher in FTF negotiations than in video negotiations. Results for **negotiation satisfaction**, the last element, demonstrate that Finnish IB negotiators valued high negotiation satisfaction in both FTF-IBNs and V-IBNs. However, they valued high negotiation satisfaction more in FTF-IBNs than in V-IBNs, which aligns with Naquin and Paulson´s (2003, p. 118) results in general.

5.2 Theoretical contributions

This study makes several theoretical contributions. First, the conceptual framework and hypotheses developed for this research were based on previous studies, literature, and theories. Thus, this study contributes to IBN research by examining the effect of FTF and video communication modes on the behavior of Finnish IB negotiators. In the past, Geiger (2020) suggested that the impact of communication modes on the behavior of IBN negotiators has not been fully explained. By using Salacuse´s (1998) framework and introducing four complementary elements, this study provides a unique perspective on the impact of culture on the behavior of Finnish IB negotiators. The aforementioned Salacuse framework and four new negotiation elements combined with Ghauri´s (2003a) IBN process formed the framework for this study. Although the behavior of Finnish IB negotiators has previously been studied, this was only done in the context of FTF negotiations (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021). Therefore, this study provides novel findings by comparing the behavior of Finnish IB negotiators between FTF and video modes—a topic that has received little attention in the context of IBNs. The results complement recent studies (Altis, 2022) that also compared the behavior of Finnish IB negotiators between FTF and video modes.

Second, this study broadens the general understanding of IBNs process, which has been widely addressed (Brett, 2000; Calantone et al., 1998; Ghauri, 1986; Ghauri, 2003a; Graham, 1985a; Graham & Lin, 1987; Reynolds et al., 2003; Simintiras & Thomas, 1998; Ting-Toomey & Kurogi, 1998; Tung, 1988; Weiss, 1993). However, researchers have suggested that the factors that affect IBNs have not been incorporated into a unified theoretical framework (Reynolds et al., 2003, p. 249). The current study extensively discusses factors that influence IBNs by analyzing previous studies; by providing more empirical support for the factors that influence the IBN process proposed by Ghauri (2003a), it contributes to the literature on the IBN process.

Third, the study contributes to knowledge about the influence of culture on IBNs, which has been extensively discussed (Hofstede & Usunier, 1999; Manrai & Manrai, 2010;

Salacuse, 1998; Weiss & Stripp, 1998). However, the influence of culture on IBNs was only empirically tested in Salacuse´s (1998) model (Metcalf et al., 2006, p. 384). Thus, this study´s theoretical framework is based on the latter. Adding new, complementary elements to the model provides empirical support for the behavioral factors that affect IBNs proposed by Salacuse (1998) and further highlights the influence of culture on IBNs.

Fourth, this study contributes to the literature on FTF negotiations by demonstrating that they enhance cooperation and trust building, in line with previous findings (Andres, 2002; Denstadli et al., 2012; Ivanovski & Gruevski, 2014; Purdy & Nye, 2000; Stein & Mehta, 2020). However, the results demonstrate that FTF negotiations also increase costs and negotiation duration. In line with previous studies on video negotiations (Denstadli et al., 2012; Hardwich & Anderson, 2019; Ivanovski & Gruevski, 2014), the findings show that video negotiations are considered efficient, save time and costs, and are a good communication alternative for established partnerships, as they can deepen the parties´ relationship and trust. However, consistent with previous research (Hardwick & Anderson, 2019; Purdy & Nye, 2000), participants indicated that interpreting body language and building trust with new partners is challenging in video negotiations. Consequently, this study complements research that compares differences in negotiators´ behavior between FTF and video negotiations.

In summary, the results from this study contribute to the knowledge on differences in the behavior of Finnish IB negotiators between FTF and video communication modes. By demonstrating that communication mode changes the behavior of Finnish IB negotiators, the findings complement previous literature on this topic (Airola et al., 1991; Chhokar et al., 2007; Lewis, 2005; Lewis, 2006; Lindell & Arvonen, 1996; Lindell & Rosenqvist, 1992; Lindell & Sigfrids, 2007; Smith et al., 2003; Zander, 1997). Hence, explicitly by examining previous studies (Altis, 2022; Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021), which used the negotiation elements presented by Salacuse (1998) that are influenced by culture, this study expands the research field on the influence of communication mode (i.e., FTF and video) on Finnish IB negotiators´ negotiation behavior.

5.3 Implications for management

Business leaders and participants in IBNs must understand the impact of researched behavioral factors on IBNs, and analyze globally comparable studies on IBN behavior. To this end, this section provides recommendations for decision makers who manage IBNs. Findings on the effects of FTF and video negotiations on the behavior of IB negotiators signal a shift toward virtual communication methods, which impacts companies´ management practices and operations (Caligiuri et al., 2020, p. 709).

Examining changes in negotiation trends in different modes of communication increases the understanding of the effects of a shift in practices on the outcome of negotiations (Caligiuri et al., 2020, p. 707). Consequently, decision makers must understand which mode to use in negotiations (Ratten, 2020, p. 633). Exploring possible differences in the elements of negotiation behavior in FTF and video negotiations provides insight into the strengths and weaknesses of each mode (Friedman & Belkin, 2013, p. 380) and opportunities to improve the quality of future virtual work (Caligiuri et al., 2020, p. 702). In turn, this information can yield practical suggestions about which negotiation method companies should select for future IBNs. This research focuses on the role of communication mode in IBNs and provides recommendations to decision makers and negotiators to enable a better understanding of critical elements of the negotiation process and differences in negotiation behavior between FTF and video modes.

First, the results illustrate the strengths and weaknesses of FTF and video modes for developing partnerships. For instance, FTF meetings focus on building trust and relationships, especially with new partners. Therefore, cooperation should begin with a physical meeting to foster a deeper relationship between the negotiators (Friedman & Belkin, 2013, p. 377). Moreover, FTF meetings enable a more straightforward interpretation of body language and a more relaxed atmosphere through informal discussions outside the context of formal negotiations. However, video negotiations can also complement relationship building during the negotiation process. A strength of video tools is the ability to hold fast-paced meetings involving globally dispersed IB negotiators. Video

negotiations are efficient and save time and money since they allow companies to reduce their business travel. As a result, FTF and video modes offer a hybrid negotiation process for organizations that wish to leverage the strengths of both options.

Second, the personal style of participants was found to differ between modes. For example, they are more informal in FTF negotiations than in video negotiations. Finnish negotiators have a pleasant and intimate communication style, including empathy. When negotiators connect through video platforms, they tend to adopt a more formal and objective tone and conduct negotiations effectively. These differences in behavior may weaken the negotiation atmosphere if the negotiating partner´s cultural background is different, which may in turn lead to misunderstandings due to the Finnish IB negotiator´s personal style. However, differences in personal style are not a problem when the purpose of the discussion is to address minor issues, especially when the parties already know each other.

Third, the findings demonstrate that Finnish IB negotiators´ risk-taking behavior is higher in FTF-IBNs than in V-IBNs. In general, business negotiations involve risk-taking through sharing information, concessions, and contractual forms that the other party can use to their advantage (Usunier, 2003a, p. 110). In previous studies (Metcalf et al., 2006; Schwarz, 2019; Zenad, 2021), the risk-taking behavior of Finnish IB negotiators was found to be in the middle of the continuum between high and low extremes. By contrast, the findings from this study show that Finnish negotiators tolerate more risk in FTF negotiations than in video negotiations, which aligns with Altis´s (2022) results. Conversely, Finnish negotiators are much more cautious in video negotiations than in FTF negotiations. This may be because video tools provide fewer visual cues, which makes it difficult to assess and respond to the negotiation situation. Based on the above findings, conducting complex and demanding contract negotiations in FTF meetings is advisable.

Fourth, the results demonstrate that Finnish IB negotiators favor high negotiation speed in video negotiations more than in FTF negotiations. The negotiation process can be difficult and complex, especially when negotiating with a large company or a party with conflicting interests. In addition, the duration of business negotiations can often significantly affect the outcome of an agreement. Through video technology, negotiators can conclude negotiations more rapidly than in FTF negotiations, which is an advantage in the negotiation process. Thus, the primary benefit of video negotiations is the speed with which issues are handled. Modern video platforms have enabled Finnish IB negotiators to conclude agreements with parties with the same interests quickly. Thus, the advantage of negotiation speed in video negotiations has led many companies to incorporate new technologies into traditional business practices to maintain and improve their competitiveness.

Lastly, this study´s findings indicate that Finnish IBN negotiators value high negotiation satisfaction in both FTF and video negotiations. However, Finnish IB negotiators valued negotiation satisfaction higher in the FTF-IBNs than in the V-IBNs. Satisfaction with negotiations refers to the extent to which the parties are satisfied with the outcome of the negotiation and, consequently, their future business relations. When negotiators meet an unfamiliar party in person, the associated uncertainty makes it difficult to reach an agreement rapidly. Tensions reduce the likelihood of making concessions, which allows the counterparty to remain firm in its original position. However, FTF negotiations enable non-verbal communication between the parties, which contributes to the meetings´ ease and increases the likelihood of a successful agreement. Conversely, video negotiations, in which non-verbal communication between the parties is challenging, can hinder the negotiation process and the possibility of a successful agreement. Thus, when negotiators are satisfied with the outcome of the negotiation, they are more likely to continue trading with the same party.

5.4 Recommendations for future research

In conclusion, this study empirically demonstrates differences in the behavior of Finnish IB negotiators between FTF and video negotiations. However, the choice of communication method can affect success in negotiations, provided that the factors influencing the negotiation process are identified, and the primary goals are defined. Furthermore, FTF negotiations may be more suitable for new relationships, which require trust building and more informal negotiation behavior. Moreover, the FTF communication mode increases negotiators´ satisfaction with the negotiation process and risk tolerance. However, video negotiations may be more suitable for negotiations requiring a more rapid resolution and formal behavior. In addition, negotiators value a lower level of risk in video negotiations than in FTF negotiations.

Since this study´s results show statistically significant differences in the behavior of Finnish IB negotiators between FTF-IBNs and V-IBNs, the topic should be examined in greater depth. In particular, as video tools in IBNs have increased due to COVID-19, it is necessary to advance research on the subject. As new virtual negotiation platforms develop, their share as an IBN method grows and becomes vital for IB actors; therefore, corporate management cannot ignore the change in communication modes of IBNs. Thus, it is essential to understand and identify how different communication modes affect IBNs and, in turn, business outcomes. To this end, recommendations for future research are presented in this section to address some limitations of the study and further develop the field of research.

First, a study with a larger sample size should be conducted to enable generalizability. Since this study´s response rate was not 100%, only a limited number of relevant firms was reached. Future studies would benefit from using different sampling methods, such as random sampling. Second, since this study focuses on the behavior of Finnish IB negotiators, future research could be extended to IB negotiators from other countries, enabling a comparison of negotiation behavior in different cultures. Furthermore, the research could compare the negotiation behavior between different genders. Additionally,

the research could be expanded to include investigating the impact of communication mode on IBN outcomes and tactics. Third, in future studies, each survey construct should consist of multiple questions to enable an analysis of internal correlation for the responses, which would improve the reliability of the research. The study would also benefit from the use of qualitative methods to explore why it produced specific results. Fourth, researchers should evaluate and further investigate the applicability of the four complementary negotiation elements included in this research and their empirical significance. Furthermore, they should assess whether there is a need to add new, unexamined variables to future studies.

Finally, this study limited modes of communication to FTF and video negotiations. However, future research could explore other communication methods in IBNs, such as AI, emails, instant messaging services, telephone calls, and computer-assisted communications (Geiger, 2020, p. 244). As technology increasingly affects daily life, there is a growing number of options for organizing future IBNs. It is likely that intelligent machines will increasingly assume the role of business negotiators in various situations, from developing new business agreements to resolving disputes. The capabilities of deep learning AI have already been leveraged to make medical diagnoses, understand spoken language, and drive a car (Chen & Asch, 2017, p. 2507). In the future, AI will facilitate negotiations and marketing, improve negotiation skills, and support complex decision making, leading to increased organizational learning and performance (Chen et al., 2022, p. 1037). AI negotiators may become more effective than human negotiators due to their superior speed, efficiency, and ability to simultaneously handle multiple details (Bagga et al., 2021, pp. 1–2). The above recommendations can be used as a starting point for further research, which may lead to noteworthy findings.

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Appendices

Appendix 1. Survey questionnaire

Vaasan yliopisto
UNIVERSITY OF VAASA

A comparative study of face-to-face and video negotiations on the behavior of Finnish international business negotiators.

Mandatory questions are marked with a star (*)

BACKGROUND FACTORS

1. Your age *

- ◯ 25 or less
- ◯ 26 - 35
- ◯ 36 - 45
- ◯ 46 - 55
- ◯ Over 56

2. Your gender *

- ◯ Male
- ◯ Female
- ◯ Other

3. Your nationality *

- ◯ Finnish
- ◯ Other

4. Your highest education *

- ◯ Comprehensive school
- ◯ High school or Trade school
- ◯ Bachelor's degree
- ◯ Master's degree
- ◯ Ph.D. or higher
- ◯ Other

5. Have you ever lived outside of Finland for more than three months in a row *

- ◯ No
- ◯ 1 year or less
- ◯ 2 - 3 years
- ◯ 4 - 6 years
- ◯ 7 - 10 years
- ◯ Over 10 years

6. If yes, in which country or countries did you live

_____

7. Your overall work experience in years

- ◯ 1 year or less
- ◯ 1 - 3 years
- ◯ 4 - 6 years
- ◯ 7 - 10 years
- ◯ Over 10 years

8. Your current job position or title *

_____

9. For how many years have you been working in your current position *

- ◯ 1 year or less
- ◯ 2 - 3 years
- ◯ 4 - 6 years
- ◯ 7 - 10 years
- ◯ Over 10 years

COMPANY BACKGROUND INFORMATION

10. Name of your company

_____

11. Primary industry on your company *

- ◯ Energy
- ◯ Healthcare
- ◯ Automotive
- ◯ Chemicals
- ◯ Food/ beverage
- ◯ Metal
- ◯ Agriculture
- ◯ Construction
- ◯ Entertainment
- ◯ Paper
- ◯ Services
- ◯ Maritime
- ◯ Other (please specify) _____

12. Number of employees in your company *

- ◯ Less than 20
- ◯ 21 - 50
- ◯ 51 - 100
- ◯ 101 - 200
- ◯ 201 - 300
- ◯ 301 - 500
- ◯ Over 500

13. Your work experience with international business negotiations

- ◯ Less than one year
- ◯ 1 - 2 years
- ◯ 3 - 5 years
- ◯ 6 - 10 years
- ◯ Over 10 years

NEGOTIATION BEHAVIOR

14. How often do you take part in international business negotiations *

- ◯ Never
- ◯ Very seldom
- ◯ Seldom
- ◯ Sometimes
- ◯ Frequently
- ◯ Very frequently

15. Number of international business negotiations you have approximately participated in during the last three years *

- ◯ None
- ◯ Less than 20 times
- ◯ 20 - 50 times
- ◯ 51- 100 times
- ◯ 101 - 150 times
- ◯ Over 150 times

16. Number of face-to-face international business negotiations you have approximately participated during the last three years *

- ◯ None
- ◯ Less than 20 times
- ◯ 20 - 50 times
- ◯ 51 - 100 times
- ◯ 101 - 150 times
- ◯ Over 150 times

17. Number of international business negotiations conducted through video tools (such as Microsoft Teams, Zoom, Skype etc.) you have approximately participated during the last three years *

- ◯ None
- ◯ Less than 20 times
- ◯ 20 - 50 times
- ◯ 51 - 100 times
- ◯ 101 - 150 times
- ◯ Over 150 times

18. Do you have experience in international business negotiations conducted through *

- ◯ video tools
- ◯ face-to-face
- ◯ both

Please choose a specific international business negotiation situation you participated in that was conducted via VIDEO tool (such as Teams, Zoom, Skype etc.) while answering the following questions:

19. Which of the following best describes your negotiation partner *

- ◯ Supplier
- ◯ Buyer
- ◯ Exporter
- ◯ Distributer
- ◯ Alliance partner
- ◯ Joint venture partner
- ◯ Licensor
- ◯ Licensee
- ◯ Other (please specify) _____

20. The nationality of your negotiation partner

_____

21. How many years of experience did you have with your negotiation partner at the time you negotiated *

- ◯ No prior experience
- ◯ Less than 1 year
- ◯ 1 - 2 years
- ◯ 3 - 6 years
- ◯ 7 - 10 years
- ◯ Over 10 years

22. How experienced were you in using video tools *

- ◯ No prior experience
- ◯ Very low
- ◯ Low
- ◯ Medium
- ◯ High
- ◯ Very high

23. Please indicate the degree to which you disagree or agree with the following statements in that specific negotiation situation conducted via VIDEO *

	Strongly disagree	Partly disagree	Neutral	Partly agree	Strongly agree
Developing a relationship with the negotiation partner had a higher priority for me than focusing solely at the task and the attainment of an agreement.	◯	◯	◯	◯	◯
I did not see the potential agreement in the end of a negotiation process as a single deal. I considered the negotiation as a step towards a long-term relationship between me and the negotiation partner.	◯	◯	◯	◯	◯
For me, a written contract at the end of the negotiations was obligatory.	◯	◯	◯	◯	◯
During the negotiations, I primarily focused on achieving my own company's interests, despite the interest of the opposite party.	◯	◯	◯	◯	◯
Within the negotiations, I tried to cooperate with the negotiation partner to reach fair and beneficial solutions for both parties instead of trying to maximize my own interests.	◯	◯	◯	◯	◯

	Strongly disagree	Partly disagree	Neutral	Partly agree	Strongly agree
During the negotiations, I focused primarily on business matters instead of focusing more on personal and family matters.	○	○	○	○	○
When negotiating, I liked to express myself in a formal way.	○	○	○	○	○
During the negotiations, I tried to keep the conversation friendly and unformal.	○	○	○	○	○
While evaluating my counterpart's offer, I preferred to communicate in a clear and explicit way by directly stating my opinions.	○	○	○	○	○
In the case of a disagreement, I stated my opinions in a direct and explicit manner instead of relying on gestures or facial expressions.	○	○	○	○	○
I expected all parties involved in the negotiation process (including myself) to be punctual.	○	○	○	○	○
During the negotiations, I preferred to strictly follow the time schedules set for the negotiations.	○	○	○	○	○
During the negotiations, I preferred to form my arguments based on facts rather than arguing based on feelings and stories.	○	○	○	○	○
I preferred to hide my emotions, like frustration or happiness, during the negotiations because I think it is inappropriate to express too much emotions.	○	○	○	○	○
I preferred to reach a negotiation agreement that was a detailed description of all the decisions agreed upon during the negotiation process rather than an agreement that was more of a statement of general principles.	○	○	○	○	○
I preferred to negotiate the general principles that guided other decisions before negotiating specific issues that needed to be resolved.	○	○	○	○	○
The whole negotiation team was involved in the decision-making process instead of decisions made by few people in senior positions.	○	○	○	○	○
During negotiations I made the first concession with the hope that partner would also make a concession in return.	○	○	○	○	○
During the negotiations, I tried to stick to the plans that were made prior to the beginning of the negotiation process instead of being flexible and spontaneous towards unforeseen turnarounds.	○	○	○	○	○
In order to build trust, I openly shared all the necessary information to my opposite party.	○	○	○	○	○
A high level of trust on the opposite party was developed during the negotiations.	○	○	○	○	○
In the negotiation, I asked a lot of questions, to get as much information as possible to understand my opposite side's needs/objectives.	○	○	○	○	○
During the negotiation, I provided all the necessary information to the opposite party so they would understand our needs/objectives.	○	○	○	○	○
In the negotiation, I tried to be as honest as possible. I did not give misleading information.	○	○	○	○	○
In the negotiation, I used positive tactics (such as concessions and silent moments) to reach my goals.	○	○	○	○	○
In the negotiation, I used hard tactics (such as "take it or leave it" and exaggeration) to give me a competitive advantage.	○	○	○	○	○
I think negotiations took more time than normal.	○	○	○	○	○

24. How satisfied were you with the outcome of the negotiation

- ◯ Very low
- ◯ Low
- ◯ Medium
- ◯ High
- ◯ Very high

25. How satisfied were your negotiation partner with the outcome of the negotiation

- ◯ Very low
- ◯ Low
- ◯ Medium
- ◯ High
- ◯ Very high

26. Based on your experience, kindly write down the positive sides of using video tools (such as Teams, Skype, Zoom etc.) for conducting international business negotiations

_____

27. Based on your experience, kindly write down the negative sides of using video tools (such as Teams, Skype, Zoom etc.) for conducting international business negotiations

_____

Please choose a specific international business negotiation situation you participated in that was conducted FACE-TO-FACE while answering the following questions:

28. Which of the following best describes your negotiation partner *

- ◯ Supplier
- ◯ Buyer
- ◯ Exporter
- ◯ Distributer
- ◯ Alliance partner
- ◯ Joint venture partner
- ◯ Licensor
- ◯ Licensee
- ◯ Other (please specify) _____

29. The nationality of your negotiation partner

_____

30. How many years of experience did you have with your negotiation partner at the time you negotiated

- ◯ No prior experience
- ◯ Less than 1 year
- ◯ 1 - 2
- ◯ 3 - 6
- ◯ 7 - 10
- ◯ Over 10 years

31. Please indicate the degree to which you disagree or agree with the following statements in that specific FACE-TO-FACE negotiation situation *

	Strongly disagree	Partly disagree	Neutral	Partly agree	Strongly agree
Developing a relationship with the negotiation partner had a higher priority for me than focusing solely at the task and the attainment of an agreement.	○	○	○	○	○
I did not see the potential agreement in the end of a negotiation process as a single deal. I considered the negotiation as a step towards a long-term relationship between me and the negotiation partner.	○	○	○	○	○
For me, a written contract at the end of the negotiations was obligatory.	○	○	○	○	○
During the negotiations, I primarily focused on achieving my own company's interests, despite the interest of the opposite party.	○	○	○	○	○
Within the negotiations, I tried to cooperate with the negotiation partner to reach fair and beneficial solutions for both parties instead of trying to maximize my own interests.	○	○	○	○	○
During the negotiations, I focused primarily on business matters instead of focusing more on personal and family matters.	○	○	○	○	○
When negotiating, I liked to express myself in a formal way.	○	○	○	○	○
During the negotiations, I tried to keep the conversation friendly and unformal.	○	○	○	○	○
While evaluating my counterpart's offer, I preferred to communicate in a clear and explicit way by directly stating my opinions.	○	○	○	○	○
In the case of a disagreement, I stated my opinions in a direct and explicit manner instead of relying on gestures or facial expressions.	○	○	○	○	○
I expected all parties involved in the negotiation process (including myself) to be punctual.	○	○	○	○	○
During the negotiations, I preferred to strictly follow the time schedules set for the negotiations.	○	○	○	○	○
During the negotiations, I preferred to form my arguments based on facts rather than arguing based on feelings and stories.	○	○	○	○	○
I preferred to hide my emotions, like frustration or happiness, during the negotiations because I think it is inappropriate to express too much emotions.	○	○	○	○	○
I preferred to reach a negotiation agreement that was a detailed description of all the decisions agreed upon during the negotiation process rather than an agreement that was more of a statement of general principles.	○	○	○	○	○
I preferred to negotiate the general principles that guided other decisions before negotiating specific issues that needed to be resolved.	○	○	○	○	○
The whole negotiation team was involved in the decision-making process instead of decisions made by few people in senior positions.	○	○	○	○	○
During negotiations I made the first concession with the hope that partner would also make a concession in return.	○	○	○	○	○

	Strongly disagree	Partly disagree	Neutral	Partly agree	Strongly agree
During the negotiations, I tried to stick to the plans that were made prior to the beginning of the negotiation process instead of being flexible and spontaneous towards unforeseen turnarounds.	◯	◯	◯	◯	◯
In order to build trust, I openly shared all the necessary information to my opposite party.	◯	◯	◯	◯	◯
A high level of trust on the opposite party was developed during the negotiations.	◯	◯	◯	◯	◯
In the negotiation, I asked a lot of questions, to get as much information as possible to understand my opposite side's needs/objectives.	◯	◯	◯	◯	◯
During the negotiation, I provided all the necessary information to the opposite party so they would understand our needs/objectives.	◯	◯	◯	◯	◯
In the negotiation, I tried to be as honest as possible. I did not give misleading information.	◯	◯	◯	◯	◯
In the negotiation, I used positive tactics (such as concessions and silent moments) to reach my goals.	◯	◯	◯	◯	◯
In the negotiation, I used hard tactics (such as "take it or leave it" and exaggeration) to give me a competitive advantage.	◯	◯	◯	◯	◯
I think negotiations took more time than normal.	◯	◯	◯	◯	◯

32. How satisfied were you with the outcome of the negotiation

- ◯ Very low
- ◯ Low
- ◯ Medium
- ◯ High
- ◯ Very high

33. How satisfied were your negotiation partner with the outcome of the negotiation

- ◯ Very low
- ◯ Low
- ◯ Medium
- ◯ High
- ◯ Very high

34. Based on your experience, kindly write down the positive sides of conducting international business negotiations face-to-face

_____

35. Based on your experience, kindly write down the negative sides of conducting international business negotiations face-to-face

_____

VOLUNTARY INFORMATION

36. Would you be interested in a summary report of the findings

- ◯ Yes
- ◯ No

37. If yes, please provide your contact information (name and email)

First name _____

Last name _____

Email _____