



## A Study of Sino-Indian Business Negotiations-from a Cross-cultural Perspective

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### Abstract

With the continuous development of economy, the economic cooperation worldwide is becoming more and more frequent than before. China and its neighboring country India communicate and interact more frequently than ever with each other, which lead to the increase of the international business negotiation and the increase of the international business conflicts subsequently. Among the factors attributing to the conflicts, cross-culture is one major element, which also becomes increasingly important. This thesis discusses the cross-culture in business negotiation between china and India from various aspects, especially in business etiquettes to open a good situation and promote the successful proceeding of business negotiation and further trade communication between China and India.

**Keywords:** Business negotiation, cross-culture, culture difference, countermeasure

### Introduction

Business negotiation is a dynamic adjustment for both parties to achieve mutually satisfying agreements in terms of their own economic benefits. In business negotiations, many important ingredients can help negotiators to achieve the goal, and the

culture factor is the most important one among them.

Culture is always an important factor to influence the business negotiation. Due to the different lifestyle, different thinking mode and action pattern in different cultures, there exist many different business negotiation styles. At the same time, this factor determines the success or the failure of the negotiation. Thus, when starting a business negotiation with a foreigner, one must first understand the culture of the foreigner's, then they can keep a harmonious, friendly and cooperative

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atmosphere and finally reach an agreement (Mitchell 2000).

China and India, which are the leading powers of the oriental civilization in the Asian countries, represent the brilliant ancient civilization. With the globalization of the whole world, China and India have started more cooperation with each other. As a neighbor to each other, they have many similarities. However, they still have their own cultural characteristics. Thus, we do some analysis about these topics about China and India from different angles.

### **Cultural differences in business negotiation**

Communication is a very important part of human life. In the modern society, business communication has become the most important part of the country's communication, and business negotiation is the representative model of the business communication.

#### **Cultural differences**

Culture is a system of shared beliefs, values, customs, behaviors and artifacts that the members of a society use to cope with their world and with one another, transmitted from generation to generation through learning.

During the business negotiation, both parties often have divergence on some topics, resulting from the difference in politics and economics. However, the main reason roots in the difference in culture. As the language, behavior and association regulation are the specific representation of the cultural

difference, the difference in the negotiation is also the representation of the cultural difference.

Different nations have their own cultures. If negotiators are not familiar with foreign cultures, they will lapse into the dilemma and have difficulties in communication with foreign businessmen. On the contrary, if they have acquired some basic knowledge about foreign cultures, they can avoid some obstacles. Therefore, knowing about foreign cultures well is an important and significant quality in business activities.

### **The influences on cultural differences on business negotiations**

As each country has its own specific culture, there exist many different cultural differences. These differences make them have different thinking modes and values. In international business, buyers and sellers confer together to reach a mutually satisfying agreement on a matter of common interest. Due to their own objectives, each party has different notion in trade operations, thus it will encounter some cross-cultural problems. These problems will obstruct the business negotiation. In a way, they are determinants in international business negotiation. Therefore, before starting a business negotiation with a foreign country, we should first understand its culture, and then the negotiation can go on wheels. Up to date, some cases of successful and unsuccessful negotiations have been presented and analyzed, through which the important principals and tactics are proved to be significant and necessary (Curry 2000).

## **Cultural differences in business activities between Chinese and Indians**

Have many differences in their own culture. Only when they find out these differences and understand these cultural differences can they achieve the whole goals. Therefore, both parties have to study the cultural differences between them to avoid misunderstanding and behave ourselves appropriately in various occasions and in turn promote the communication and enhance the friendship on both countries.

### **Daily business activities**

As there are many common characteristics between Indians and Chinese, there are many differences between them. Here we would like to compare these differences between Indian and Chinese culture in this regard.

### **First meeting**

In Indian Culture, when two parties meet each other at the first time, they often exchange business card and do not prepare gifts for the guests. In their opinion, they will not prepare the presents for the guests until they are familiar with them, and the gifts are usually the special local products. Besides, it is impolite to open the presents immediately. While in Chinese culture, they often prepare the gift for others, especially the business cooperative partners. If party A goes to the party B's place, treated as gifts, the party B will provide board and lodging for the party A. Sometimes, if one party sends presents to the other party, the other one must return another. In the same way, it is also impolite to open the gift immediately in China.

### **Safe clearance**

When talking to an Indian who values much his privacy, it is necessary to keep an arm's extent to each other. In this distance, he feels comfortable and safe. Once someone exceeds this safe clearance, he will be anxious or angry, and then the negotiation will not go on well.

In China, Chinese tend to stand closer than Indians do while talking, because they will not have clear safe clearance in public place. It does not mean that people can touch the opposite sex, even though people stand close to each other. According to Chinese social culture rules, it is a sign of politeness and trust. Actually, they have different extent for the different people. There is one point to avoid misunderstanding, men and women can keep each other at arm's length. The natives show more affection to their same gender, for example, to their best friend. Males will put their arms over another male's shoulder and females will hold each other's hand. This gesture shows that they are best friends. If a person feels that he or she is treated over-friendly by a Chinese person, do not hesitate to say "No" to that person.

### **Greetings**

In Chinese culture, showing warmth and concern for each other is considered as a polite behavior. That is why two Chinese always ask about each other's age, offspring, occupation and even income even when they greet each other even for the first time. The Chinese think asking these questions is showing concern for the other and will help

shorten the social distance between themselves and their interlocutors.

While in India, should such questions be asked? Would they feel that interlocutor is rudely encroaching upon their privacy? The answer is "Yes". In general, men and women put their palms together devoutly to do "Namaste" to show respect for other people. Indian men are quite westernized and they will often reach out to shake people's hands. The only thing you should remember is that a handshake tends to be with the same sex. Therefore, if you are a foreign woman, you should avoid initiating a man with a handshake. Usually, Indian women do not give a handshake. If an individual does not speak English, she tends to be quite shy when talking to a foreigner (even if the foreigner is also a female). There is an exception. Woman may give a handshake to a child. Moreover, if the child does something well, the Indian woman will hug or put her hand on the child's head as memento of acknowledgment. Besides, people should avoid making physical contact with a woman in both formal and informal situations. It is best for a woman to use just "Namaste" and it will be fine.

### **Time sense**

In Indian sense, they do not think being punctual is an important thing. They are often late while attending a meeting or a business negotiation. In Chinese businessman's viewpoint, Indian has never punctuated, if they say they will be there in five minutes, that is to say, there is half an hour at least before they can arrive. Chinese

think that it will lead to low efficiency. For Chinese executives, it is very impolite to be late in the business workplace. In addition, if people can get there earlier, the host or their boss will think they value their work very much. Then the host and their boss will have a good impression on them. Although being punctual is polite, the boss or the leader of the enterprise often arrives at the party later. It shows that they have a more important status.

### **Business negotiation habits**

Business is negotiation. People will negotiate to buy, to sell, conclude contracts with suppliers and to fix the staff salaries and so on. What's more, they have to negotiate with regulators, banks and insurances. In order to get the negotiation successful, they should understand the business negotiation habit well. Here are some important habits about the business negotiation.

### **Dressing etiquette**

Dressing is a kind of silent language. It can reflect a person's accomplishment, character, temperament, hobbies and pursuit. In international business negotiation, the knowledge of the foreign culture and the good preparation are very essential, and suitable dressing is of the essence at the same time.

In life, the clothes people wear must differ according to the time. People cannot mix the pajamas they wear in the morning with the suit they wear at night to attend the meeting. If they wear T-shirts in winter, it will be ridiculous. Only by choosing the right

garment can they get the good effect.

In this point, Chinese businessmen and Indian businessmen are alike, in the formal occasion; both of them will wear official suits. The man will often dress in western-style clothes, while the woman will wear a suit of dovetail. In addition, the main color of dressing should be dark.

### **Chinchin topics**

When two or more parties start a business, they will not begin to talk about the work directly at first; they will usually find some pleasant, relaxing topics to talk about. On one hand, it releases the anxious, awkward atmosphere so that the both sides can have a good beginning. On the other hand, it gives more time to the two parties to understand each other quickly.

In Indian culture, people will not talk about work at the first sight; they will talk about something they are interested in, such as weather hobbies, family lives and so on. The Indian thinks that a person who respects and cherishes his family is a good partner in business negotiation. They think that family is the most precious treasure for anyone at any place and at any time, so they are glad to do business with those businessmen who have a happy family.

In Chinese businessmen's eye, they also won't talk about the work when they first meet. They would like to talk some topics that they are interested in, but it differs from Indians, Chinese often like asking some personal questions about the guests to show

their warmth and concern. So if negotiators are asked some personal questions by a Chinese person, do not be alarmed.

### **Focal point and negotiation time**

During a business negotiation, there are many points the businessmen care about. The main point must be the benefits. For this kernel, different companies lay emphasis on different things.

For Indian businessmen, they are very confident at the first time; they will show their "trump card" to frighten their opponent so that they can hold the initiative of the negotiation. In the meantime, they can defeat the opponent. On the contrary, Chinese don't show the actual strength at the beginning. They believe that "Who laughs last, laughs best", so they are always hiding their strength until the end of the negotiation.

In the focal point, Indian businessmen pay their attention to the price. They will try all their best to lower the price. Before they begin a business activity, they will collect all the necessary information that they want to know. After comparing all the prices quoted by different companies, they will choose the lowest one. In their opinion, compared to price, the product's quality and credit are less important in business activities.

While Chinese businessmen negotiate with the opponent, they will firstly listen to other party's introduction carefully, then both parties will establish an fundamental framework and norm of the contract so that they can go on doing their business friendly

and effectively. In the later negotiation, if there are violations of the contract, Chinese will persist in doing things based on the regulation and never make a concession, but for some details about the contract, when there is divergence, both sides will not negate or abolish, they will discuss with the opposite side. Because if they do the things like this, Indian will think it is ungracious, while Chinese will think that it makes them lose their faces. What's more, it will hurt their favorable relationship and make a bad effect on their cooperation. When dealing with the disputation, Chinese often solve the problems according to the moral principles rather than the law.

When it comes to the negotiation time, Indians and Chinese are different. Indians would like to procrastinate time as possible as they can, nevertheless, Chinese don't want to cost too much time on the same work, they think high efficiency can help enterprise achieving quick development. Nevertheless, compared with other western countries, Sino-Indian business negotiation is different. In a way, their negotiation time is longer than the western countries. They pay their attention to long-term cooperation.

Chinese and Indian businessmen often spend much time establishing a friendly relationship. Chinese devote their sincere affection on the partner. Thus, under this situation, their relationships are fixed. On the other hand, even though it also needs much time to build a friendly relationship, the relationship can change at any time. Once there is a company that can provide a lower

price for Indians, they will turn their friendship to this partner at once.

Therefore, before starting to do business with an Indian company, Chinese businessmen must do full preparation, and there is one point to notice that Chinese should put up with the language obstacle, because Indian English has heavy local voice, so they'd better employ a professional translator. At last, they must be patient in the negotiation all the time.

### **Enterprise culture**

Enterprise culture is the enterprise long-term production and operating activities of information, getting aware of business purposes, values, and the comprehensive reflection of moral codes. Understanding foreign countries' cultures can help enterprise build up the cooperation relationships and achieve the success.

### **Values**

Values can be defined as a broad preference concerning appropriate courses of action or outcomes. As such, values reflect a person's sense of right and wrong or likes and dislikes; "Excellence deserves admiration" and "People should be treated with respect and dignity" is representative of values. Values tend to influence attitudes and behaviors.

For the Indian enterprise, they have many values. Here we make a summary:

1): Cooperation- Cooperation is highly valued. The value placed on cooperation is strongly rooted in the past, when cooperation

was necessary for the survival of family and group. Because of the strong feelings of group solidarity, competition within the group is rare. There is a sense of security to be a member of the group and will not be singled out and placed in a position above or below others.

2): Modesty- The value of modesty is emphasized. Even when one does well and achieves something, one must remain modest. Boasting and exaggerated behaviors that attract other's attention are discouraged.

3): Dignity- Indians support the rights of an individual. One does not provide advice unless asked for. They resist the involvement of outsiders in their affairs. They may resent if non-Indians attempt to help and give advice particularly in personal matters. Forcing opinions and advice on Indians on such things as careers only cause frustration.

4): Patience- Having the patience and ability to wait quietly are considered as a good quality among Indian. Evidence of this value is apparent in delicate, time-consuming works of art, such as beadwork, quillwork or sand painting. Patience might not be valued by others who have been taught "never to allow grass to grow under one's feet".

5): Group Harmony- Group harmony placed on an important position has a pivotal role in business negotiations. Most Indians have a low ego level and strive for anonymity. They stress the importance of personal orientation rather than task orientation. The needs of the group are considered over those of the individual.

While for Chinese, they also have some

values. Chinese culture is highly complex, but scholars across the world agree that Chinese people value the importance of the family due to the diversities of Chinese communities. The hierarchical structure of social life, the cultivation of morality, self-restraint and the emphasis on hard work and achievement are the reasons of this phenomenon. Various researchers also stress the pride, which Chinese people take in their culture as well as the activities that Chinese culture and society is called as "collectivist".

### **Mandate deadline**

In India, the deadline of commercial plans and activities usually put off a period, usually a week or more. Therefore, the subordinates of an Indian company often finish their work after the end of deadline. In China, in some big state-owned enterprises, it is so common to postpone the work. On the contrary, in private business companies, they will not let this situation happen. If there is a delay in work, the staff member should work overtime. Thus, to some extent, the private business company is more active than the state-owned enterprise.

### **Other culture differences**

Besides all the above cultural differences between Indian and Chinese, there are also some tiny differences.

### **Dining etiquette**

Eating is essential to Asian culture, and there is no difference in India. Indians take pride in its creation and somewhat weird foods. Nonetheless, one of the main goals is to create good, delicious and spicy foods. India

is also known to be one of the most traditional and religious countries in Asia.

When a person is invited to an Indian family or a business party, from Indian cultural perspective, it is considered an insult to their wife and guests if they invite you to a restaurant. If people get invitation to a meal, please never arrive early because either they will stand outside the door for a while or the host will think they are crazy. In fact, the Indian natives will expect guests to be fifteen to thirty minutes late. Even that moment is considered early because some people may be even late for an hour. For example, the host invites guests to come at around 8:00. They probably won't sit down to eat until 9:00 or 9:15 at the earliest.

Another manner is washing hands. It is a custom in India to clean hands before eating. There are two reasons for this custom. One is that Indian food is customarily eaten with the hands. The other one is that the majority of the Indian meals are laid out like a buffet, which means everybody eats out of the same dish. To protect themselves and anybody else, please clean people's hands.

The third manner is also very important. If the host is from a traditional family, which the majority of Indians are, guests are expected to sit on the floor or on a very low wooden chair while eating. At the same time, the male and female are generally segregated or divided during the meal time. For a westernized Indian family, the male and female may sit together. However, it is very rare to have a conversation between opposite

sexes. As a guest, people will sit first and they can sit anywhere as they like. Most Indians have religious belief, so they don't eat meat, particularly pork and beef.

Indian culture is dominated by the men as the rest of the world. During the meal, the males will be served first, the children will be second, third will be the women, and last will be the cooks.

When it comes to eating habits, unlike the western countries, where everyone has their own plate of food, in China the dishes are placed on the table and everybody shares. Chinese people are very proud of their culture of cuisine and will do their best to show their hospitality. Sometimes the host will serve some dishes with his or her own chopsticks to guests to show his or her hospitality. This is a sign of politeness. The appropriate thing people should do is to eat the whatever-it-is and say how yummy it is. Never stick chopsticks upright in the rice bowl, lay them on your dish instead. Otherwise, it is deemed extremely impolite to the host and seniors present. The reason for this is that when somebody dies, the shrine to them contains a bowl of sand or rice with two sticks of incense stuck upright in it.

Make sure that the spout of the teapot does not face anyone. It is impolite to set the teapot down where the spout is facing towards somebody. The spout should always be directed to the place where nobody is sitting, usually just outward from the table. Don't tap bowl with chopsticks, since that

will be deemed insult to the host or the chef. Beggars tap on their bowls, and people will tap their bowls when the food is coming too slow in a restaurant.

Besides all of these, in some business entertainment, people like to urge the guests to drink. They think that is an act to show their friendliness. More drink, more joy.

### **Taboo**

Taboos show the things that people should care about. In daily life, there are many taboos or notices that they should comply. In international business contacts, there are so many aspects we should care about, and they are even more important. If people can comprehend these taboos well, they can build up good relationships with the foreign companies and have more cooperation with them.

In Indian body languages, for example, it is very important to use the right hand to do things, because they think the left hand can be used only when you are in the toilet. But in China, Chinese can use both hands to do all things, even in some people's eyes; using left hand is a sign of cleverness (Ji xianlin 2008).

### **Analyses of differences between Chinese and Indians**

Though there are many resemblances in their culture, India and China still have so many cultural differences. The reasons are diverse. Here we make a brief summary.

### **Differences of Chinese and Indians' characters**

As located in Asia, Indians and Chinese have many common points in character, such as politeness, family harmony, kindness and so on. However, due to the each country's national conditions, there exist the differences of the two countries. Indians are very patient and skeptical. Even both parties have built up a cooperation relationship, they cannot trust their partner. Indians are not very punctual. This point is so different from that in Chinese people. For Chinese people, they care their face most. Whatever they do, the first thing they care about is their face. Moreover, Chinese attach importance to collectivism and interpersonal communication. In Chinese business communication, a good interpersonal communication can help businessmen do more trades.

### **Reasons of cultural differences**

The cultures of India and China really distinguish each other a lot. The fundamental reason is that the culture systems are two separate systems on the whole. In addition, there are some other social reasons for the cultural difference.

### **Religious reason**

India is a big religious country. In India, there are eight main religions, and almost the whole country's citizens have religious beliefs. The main religions are Catholicism, Islam, Hinduism and so on. Religious belief is a very important part, which covers all aspects of their lives. For example, caste system still exists in many Indian companies. Due to the religious reason, the Indian

women have been always playing a less important role in the Indian society. In business activities, people rarely see the female, and even the female going outside for work, they are still despised by other male colleagues. While in China, as there are almost no religious beliefs, they don't care about the religious effect while doing business. Another point which Chinese differ from Indians is that they do not discriminate, show sexism, or ignore the women in the work place or in life. In China, women do play a big role in decision-making.

#### **Thinking model reason**

Due to the same thinking model of the Asian countries, India and China have a large amount of similar aspects in the business communication. Both of them are thinking highly of politeness. In the business negotiation, when they express their thoughts or opinions, they would say it implicitly rather than directly, and when other representatives are stating their opinions, they never interrupt and they will listen to it carefully until the speakers finish their speech. In the enterprise culture, they pay more attention to the hierarchy. They will appreciate those people who have honorable status and tremendous treasure. They will show their respect to these people. At last, In both countries, money is a main criterion to measure a person.

#### **Historical and cultural reasons**

India and China are all developing countries. Both of them have the long-standing history and glorious cultures, and they have been colonized by the western countries. Thus, in

the modern time, with the globalization of the whole world and the quick development of the economy, India and China share much same sense of the business communication. For example, many rich people like buying luxury. On September 23, the New York Times shows that about one hundred and fifty businessmen in Aurangabad (an Indian city) bought themselves 150 cars. It cost nearly fifteen million dollars. What a huge number it is! Among these rich people, most of them are young people from thirty years old to forty years old. A businessman called Jade said that "Globalization makes it possible to achieve great fortune overnight; it is hard to see the people who build up from nothing" ( Xue keqiao 2010).

#### **Countermeasures**

Cultural differences in international business are extremely important and complex. Especially with the accelerating process of the economic globalization, the transactional exchange of people from different cultural backgrounds increases every day. So it is necessary to find a suitable solution to solve cultural difference. Here we enumerate some ways to solve the problems.

#### **Setting up the cross-cultural negotiation consciousness**

International business negotiation is a kind of negotiation of different thinking modes, feeling and behavior manners under different cultures. It is more challenging and complex than that under single cultural environment. The reason is that it touches upon other powers that were not aware of before and

this power may weaken effective communication. There are four kinds of business consciousness for the cross-cultural negotiation.

The first is the preparation of business negotiation. Before a negotiation starts, a company needs to do a lot of preparation. Preparatory work mainly includes two aspects. One is the negotiation for business and economic environment and market background preparation. This is very important in business negotiations that lay the most taboo words. It is the most basic step to talk about the detailed issues right in business negotiation. The other one is to understand your opponent. As Chinese strategist, Zi said, "Know yourself and know your enemy, you will win every war." The useful information can help you achieve your goal smoothly.

The second is the observation of awareness of business negotiation. In order to prepare to work with a company to conduct business negotiations, we must first pay attention to whether their office location is located in the city, which is primary for the general location with a number of neighboring peers. Company's environment, size and personnel can be used to estimate the strength of the industry's status and can influence the size of company's operations.

The third is the process of awareness of business negotiation. The development of anything has its own internal laws; business negotiation has no exception either. In fact, a business talk contains several negotiation

stages. The first is to test each other; both parties are based on their understanding of the situation to talk about a number of general business and market-related affairs. There are hints of other sense of the acceptance condition of the possible commercial negotiation to see if other parties respond and then adjust to their negotiating perspectives and expectations. This phase is characterized by the greater flexibility. Both sides will be conscious to leave a certain room for maneuver. The second is that the official is given the initial terms of trade. This step is very important for the entire business negotiations. The two sides can find the initial terms of trade, which is reasonable to persuade the other to accept. However, more often than not, both sides cannot give in and agree to enter the stale mate immediately. Since then, there is possibility to hold the second round of business negotiation or more rounds. During the process of negotiation, two sides must keep correspondence with market changes and continuously adjust the demands of the other negotiating target. Of course, the eventual result can be the success of the negotiation or it may be the breakdown of negotiations. The key is that people must have a clear understanding for business negotiation's process so that they can have a bright future of the business negotiations.

The forth is the awareness of the core requirements of business negotiation. In a sense, a complex negotiation is like a battle. Throughout the negotiation process, the negotiation party would like to understand each other's true intentions and core needs. It

will promote the business negotiation process and outcome of a significant influence. A good negotiator should have a strong sense of core requirements. There must be conscious understanding of each other's core needs so that we can effectively safeguard their own interests.

In business negotiations, although talking is the center, it is better not to talk much. To try to guide each other to talk thoroughly and enjoy themselves, you will get a lot of information in listening. This can help negotiators analyze each other's core needs, so listening is very important. In business negotiations, acting as a listener and guider at the same time can effectively avoid the loss made by the multi-lingual difference and can find its own core needs. They should clearly understand your main weakness and try to avoid it; otherwise, it is easy to be attacked.

### **Being tolerant for cultural difference and remaining neutral**

Though people have realized the existence of cultural differences, most of them cannot know how to treat them rationally. Cross-cultural negotiators always use their own standards to explain or judge the other side's culture naturally or semi-consciously. Therefore, in international business negotiation, negotiators must respect foreign culture and tradition first, getting rid of ethnocentrism of their own culture. They should keep such a notion that any culture has its advantage and superiority and cultural communication is a bridge of mentality. With this bridge, one can make deeper

understanding of the other side's nationality, behavior, values and costumes and then can really respect the other side and grasp their point of view.

### **Overcoming the obstacles of communication**

People have developed a series of recommendations for negotiating international business successfully, especially between India and China. It is based on the previous experience and provides the international business negotiator with some basic rules.

Firstly, in the preparation stage of the negotiation, there are some rules that need to mention. The most important rule in this stage is to gather enough information, one of which is the basic information about the other party. First, negotiators have to look for the matches between the other parties' organization and them. Secondly, negotiators should see what type of people is involved in their side, a team or individuals, technical or commercial people. Thirdly, they have to check out the social level of people involved; and finally, they should know some restrictions or limitations regarding trade or business between the two parties.

Another kind of information is about decision-making process: general style of decision making; who decides? How to decide? To what extent does it fit for their decision-making style? In case they follow a centralized or individualistic decision-making style, people should know where or by who the decision are made. Then they

have to know how much other parties' decision-making style matches theirs. Of course, they should match also other parties' decision-making style as much as possible.

In the face-to-face negotiation process, different cultures stress different aspects of negotiation. Therefore, both parties should respect each other's conventions. Custom is a kind of lifestyle that is widely accepted and gets used by all people in some society. It has many features, such as constancy, changeability and spontaneity. It includes many life styles that people get used to from the ancient time, such as production habitude, life, etiquette, beliefs, and social conventions and so on. Different countries and different areas have different cultures, so during the international business negotiation, we should consider them repeatedly. Otherwise, we will get a passive effect on the negotiation, or even make a breakdown of the negotiation.

In the second place, we should overcome the obstacles of the negotiation process. In a cross-cultural business negotiation, trouble is easily sparked while talking about the details for their cooperation. Thus, in the cross-cultural business negotiation, people must notice the communicative problems. Once it turns up, the solution should be found at once. Only in this way can negotiators make sure that the business negotiation will achieve success smoothly.

Thirdly, in the last stage of negotiation, there are some points to be noted. In some cultures, the agreement or contract is just an

agreement on principal or a formality. The implementation does not need to follow this document literally, but should be based on mutual trust. For example, Indians normally like to rely on the written contract while Chinese will rely on mutual trust and understanding for the implementation. Because of these differences, there are often lengthy discussions on the language of the contract to be signed. Therefore, it is better for them to make sure during the entire process that they and their counter-party have the same understanding of the issue at hand, and the contract should be written in simple and clear language to avoid ambiguity or future conflict.

In a word, cross-cultural business negotiation is different from civil business negotiation. It requires their negotiators to understand the other negotiator's culture very well, and pay attention to adopting all kinds of negotiation tactics to obtain the ultimate success.

## **Conclusion**

Business negotiation is both a science and an art. During the process of cross-cultural business negotiations, different cultural backgrounds, different cultural mentalities and the customs are often neglected by many businessmen in our society. However, the cultural factors determine the success or the failure of business activities. Therefore, in order to achieve success, negotiators must understand the negotiation style of our opponent, and then they can get more success in our field.

Furthermore, India and China have built up a good and close relationship since ancient times. Understanding each other's culture well will help them to consolidate and enhance their friendship. In this way, they can avoid misunderstanding and handle international affairs in all fields more smoothly and successfully.

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