CROSS-NATIONAL CHANNEL RELATIONSHIP PERFORMANCE: THE ROLE OF CULTURAL SENSITIVITY, CONFLICT AND COMMUNICATION

Douglas W. LaBahn and Katrin R. Harich, California State University Fullerton
School of Business Administration and Economics
Department of Marketing, Fullerton CA 92364-9480

ABSTRACT
The need to be sensitive to foreign cultures is often stated axiomatically in the international marketing literature despite very little conceptual or empirical research on its nature and consequence. To fill this void partially, this study addresses empirically the question of the effects of cultural sensitivity on communication, conflict and performance in cross-national channel relationships.

Data collected from 223 U.S. manufacturers and 97 Mexican distributors on their relationship with a primary international trading partner reveal that the sensitivity axiom can be supported empirically. Furthermore, the effects of cultural sensitivity generalize across this national boundary. The findings provide insight into both the measurement of cultural sensitivity and its place in a nomological network of relationship constructs.

INTRODUCTION
Due to the increasingly widespread internationalization of the marketplace, the issue of culture has received considerable attention in the international marketing literature. Researchers emphasize the powerful impact that culture may have on the existence and functioning of exchange relationships (e.g., Frazier, Gill and Kale 1989), distribution channel relationships (e.g., Kale and McIntyre 1991), cross-national buyer-seller interactions (e.g., Kale and Barnes 1992), perceptions of industrial goods exporters (Kraft and Chung 1992), and the quality of cross-national communication and interaction in general (e.g., Aviel 1990; Snyder 1991). The need to be sensitive to foreign cultures and to become "attuned to the nuances of culture" (Cateora 1990) is widely expressed in this literature. While the importance of culture and the desirability to be culturally sensitive is well-established, very little systematic empirical research has been conducted on the exact nature and implications of cultural sensitivity. Thus, it is important that researchers "move beyond anecdotes" toward an improved conceptual understanding of cultural sensitivity and its consequences (Kale and Barnes 1992).

CONCLUSIONS
While the extant literature is based primarily on anecdotal evidence and intuitive insight, the results of the present study empirically validate the effects of cultural sensitivity on communication and conflict. It seems that management training in the international arena should address the consequences of cultural sensitivity. Marketing managers today need to be aware that being cross-culturally sensitive may represent a prerequisite for successful, committed and satisfactory international business relationships.

ACKNOWLEDGEMENTS
The authors gratefully acknowledge the research support provided by the CIBER center at San Diego State University. The authors are indebted to Dr. Marcial Prado for his valued assistance in carrying out the research. The authors also thank the anonymous reviewers for their helpful comments on a draft of the paper.