



India

Cultural Awareness Guide

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Introduction

Although Indian cultural practices tend to be somewhat different to Western ones, business in India has worked with foreign partners for hundreds of years, so it is accustomed to accommodating a variety of business practices.

India's distinct culture has developed over a few millennia and over the last two to three centuries was influenced by both Portuguese and British colonisation. Overall, you will likely find many Indian business practices familiar. Being aware of cultural nuances and how to respect and respond to them are important parts of doing business in India.

Always remember that India is a vast and diverse country, home to varying cultures, beliefs and practices in different regions. In major urban areas and amongst bettereducated people, English is commonly and fluently spoken. However, you may encounter many smaller towns and regions where only the local dialect, not Hindi or English, is spoken.

This guide provides advice on adopting and responding to Indian business practices. It identifies cultural differences to be aware of when meeting with and negotiating with your Indian counterparts and provides useful tips for positive commercial interactions in a market with limitless potential.

GDP (2016) US\$2.256 trillion

GDP growth forecast 7.2% (2017); 8.2% (2022)

Income level

Population (2016) 1.324 billion

Languages

Hindi and English (Other languages and dialects spoken in different regions)

> **Currency** Indian Rupee

Source: World Bank

Cultural snapshot





Communicates useful signals



Traditional values

Religious and conservative





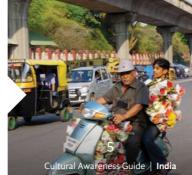
States APP -----

Mutually beneficial Mutual respect





Proud tradition of hospitality Deeper relationships built in informal settings





Communication

Direct style

Culture and values

Hierarchy

Hierarchy is a defining feature of Indian culture, in both business and social settings. Respecting senior figures is critical to building ties with a company.

When dealing with Indian clients, it is important that your Indian partner feels that he or she is dealing with a representative of your business that has an equally senior position to him or herself. Ensure your own team members have appropriately senior titles if they will be delegated the role of dealing with the client.

Age and seniority are usually the most important indicators of hierarchy and power in Indian culture.



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Respect builds relationships

Respect is an important part of Indian culture. It is critical to demonstrate respect for the individuals you are interacting with, for the hierarchy of the business, as well as for the culture of the people you are meeting with more broadly. Always showing respect for these different elements of your experience in India will help you to build deeper, long-term business relationships with your Indian counterparts. Preserving face has less impact on Indian business culture than it does in other parts of Asia, but one must still avoid causing a loss of face, both in personal interactions as well as in a business context.

Tips for communicating:

Avoid open conflict.

Keep questions simple but avoid difficult ones.

Provide critical feedback privately.

Be an active listener.

Be more attentive to non-verbal cues.

Tune into nuances and non-verbal communication not just direct spoken communication.

Showing respect:

Acknowledge or compliment someone's success or special effort in public.

Reciprocate the kindness and hospitality you are shown.

Make special arrangement or effort in showing your appreciation of a person or partnership.

Show respect and trust, especially to people who are older or more senior.

Remember people's names and titles and address them correctly.

Do not criticise, challenge or embarrass someone openly.

Adhere to Indian conventions, such as greeting and seating protocol.

Communication styles

Official languages English and Hindi हन्दि

Other languages and dialects are spoken in different cities and regions.

Direct and indirect communication

When discussing business matters, it is not uncommon for Indian businesspeople to communicate in a more direct manner than in some other Asian cultures. This can be especially true when they are seeking information on your business' capabilities.

As a means of establishing rapport, you may also be asked questions about your age, marital status and family background. Answer these questions politely. It is acceptable to ask the same of your counterpart in the meeting. You may experience some indirect communication when your client is unable to fulfil a request, in which case you may be met with a response such as "I will try".

Interpreters and translators

A strong colonial history has resulted in a high level of English literacy amongst many Indian businesspeople, both young and old, which makes day-to-day communication quite easy. In rural areas, English proficiency is less widespread and an interpreter may be required.

You should still aim to have an interpreter at major meetings. Hire an interpreter based on a trusted referral. The more aware he or she is of your objective for each meeting as well as your business capability, the better they will interpret the context of the conversation as well as the non-verbal cues being shown.

Communicating effectively

Depending on the type of product, you may consider translating your marketing collateral to Hindi or the major spoken language of the state in which you are planning to sell your product or service.

Unified response

One voice

Your team must speak with one voice – do not disagree with one another in front of an Indian client.

Business practicalities

Greetings

In early meetings or when first being introduced to a new contact, always address your new business contact using his or her official designation. Handshakes are appropriate. You may also greet with the more traditional namaste.

Namaste

Pronounced nah-mas-tay.

Say the word while placing the palms of your hands together in front of your chest.



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Address people using titles: Professor, Doctor, Mr or Ms



Give and receive business cards, food or drinks with your right hand, never your left hand



Greetings

Introductions and greetings should be kept formal. Expect to make some small talk before discussing business. If applicable, include post-nominals for university degrees on your business cards, as Indians highly regard academic gualifications.

Only use first names when asked to



Arrange cards on the table to remember names:

1) in a horizontal line reflecting seating arrangement

2) in a vertical line reflecting hierarchy



Greet people in order of seniority

Meeting etiquette



Meeting etiquette in India is driven by respect for hierarchy, small talk to build rapport, as well as demonstrating flexibility to deal with the way the meeting flows.

Time and scheduling

You may notice time is a more fluid concept in India. Take this in your stride and ensure that you plan ahead for potential delays by not committing to too many meetings in a day.

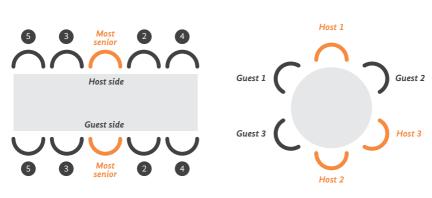
Also note that deadlines will always be adhered to by your Indian client. However, strict adherence to milestones and timelines ahead of the final deliverable is less common. If this is important to you, you may need to establish this condition early on in the negotiations.

Seating

Typically the most senior members of each delegation sit across from each other in the centre of the longer side of a rectangular table. The same protocol is observed at formal dinners.

Social meetings

A crucial part of relationship building and negotiation in India takes place at informal meetings and social events, including dinners, coffee/tea and drinks. Spouses do not generally attend more informal social excursions but may attend formal, high-level gala dinners.



Seating arrangements at a meeting

Seating arrangements at meals and social events

Top tips – Indian business etiquette

Address everyone you meet in a formal way when you are being introduced or when making introductions.

People in particular positions should always be addressed using formal titles, ie. Chairman/Vice-Chairman, Minister, Professor or Doctor.

Always be punctual and remember that traffic in many major Indian cities can be unpredictable.

Dining etiquette:

Be punctual.

Most Indian meals are served as shared dishes.

If you are attending a dinner at someone's home, always bring a small gift of chocolates or a sweet dish.

Be aware of your clients' dietary requirements. Some Hindus are vegetarian while Muslisms do not drink alcohol and observe halal diets. Check with clients before ordering alcohol unless you know that they do drink.

Beef is rarely sold in India. Avoid ordering beef even if it is on the menu as most Hindus consider cows sacred.

Hospitality

Indians are renowned for being very hospitable and gracious hosts, particularly to foreigners. You may be invited to a meal in your client's home and in some cases, to a family celebration. This is a gesture of good faith and a signal that the relationship is progressing well. Always accept graciously and observe the local dining etiquette.

Punctuality

If possible, plan to arrive five minutes before your scheduled meeting time. Traffic in some of India's major cities is heavy, so call ahead to let your meeting know if you expect to be delayed.

Time

India Standard Time: UTC + 05:30



General office hours:

9am to 5pm

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Communication and engagement

The senior most member of each delegation drives the meeting. The person hosting the meeting is likely to initiate the discussion, which always begins with conversation that may be unrelated to the business being discussed.

Flow of discussion

Prepare yourself to conduct the discussion in the stages your Indian counterpart prefers. This may mean first commenting on current affairs or about each other's business more generally. The deal itself will be discussed first at a very broad, high level before drilling down to the issue that the meeting is meant to focus on.

Side discussions

Avoid raising a point of contention during a meeting. If you feel you have developed a deep enough relationship with the lead decision maker, invite him or her aside into a private conversation in order to address the point.

Dress code



Conservative

More casual in summer. Take your client's lead on ties and jackets but always come prepared.

Gifting



Less common today Token gift exchange

- When contracts are signed.
- Meeting a client for first time after some months of working together electronically.
- No gifts at meetings with government.
- Avoid gifts with negative symbolism such as clocks and watches, sharp objects and shoes.

Connecting with your Indian counterpart:

Display general knowledge of India and the city or town you are visiting.

Introduction via a mutual connection is the best way to make new connections.

Ensure the lead decision-maker of your team makes him or herself available to his or her Indian counterpart.

Take your Indian counterpart's lead on which processes are delegated to subordinates to avoid insult.

Negotiations and influence

Building effective relationships

Indians prefer to do business with someone they have been referred to by a trusted mutual contact. Align yourself with someone with a good reputation and a wide network. The better his or her reputation, the more useful the introduction will be.

Business development process

Sales and business development processes in India may take longer to develop, with multiple parties involved from the beginning but becoming less involved once the contracts have been signed and the business relationship has matured. The Indian team may revert to their native tongue in order to discuss the response to one of your questions. Hire your own interpreter to provide context to your discussion and to ensure you are communicating with maximum effectiveness.

Hierarchy in decision-making

Indian business is very hierarchical, so decisions are often made at the highest levels and not by middle managers. Ensure that you are dealing with this person as early in the business development process as possible. Similarly, senior managers are particular about what tasks they perform and what is delegated to subordinates. It is helpful if your team mirrors this delegation of work. Tips

People may not say what they mean. Yes does not always mean yes.

Look for non-verbal cues such as long pauses, side glances or silence which suggest a different response to the verbal one.

Probe for more accurate responses by requesting further discussion on a topic.

✓ ✓
Could we explore this further?

8

"I need to know if you can deliver."

Discuss a different aspect of the deal before returning to the point of contention later in the meeting.

Say no and express disagreement in a passive and indirect way.

Always remain respectful and focus on achieving consensus.

Indians tend towards holistic thinking more than sequential thinking so be prepared that the discussion may touch on various elements at one time.

Elements of an effective business development meeting:



- Two agendas:
 - External: purpose of meeting, topics to be discussed.
 - Internal: your team's goals, objectives and responses to particular situations.
- Schedule enough time for both companies' introductions.
- Post-meeting, confirm agreements via email.



- Listen closely.
- Show respect and empathy.
- Pay attention to non-verbal cues, including your own.



- Small talk can build rapport.
- Ask about family and other non-business matters.
- Meetings over lunch or coffee can provide useful insight and extra information.
- Socialising and entertainment builds deeper relationships.

Time

Negotiations generally take longer in India than in Western business contexts. However, sometimes a delay can signal that the Indian client is exploring what your competitors have to offer. Always exercise patience about the pace of negotiations but be firm and persistent with your requests.

Pricing strategy

Indian consumers tend to be highly price sensitive and in spite of the growing middle class and greater disposable incomes, much of the Indian market still wants to pay low prices for everyday goods. The willingness to pay premium prices can apply to some health and lifestyle services as well as to luxury and status goods. Advice from an agent or distributor on the pricing of your goods can be invaluable. Similarly, researching your competitors in the market can also be beneficial to your pricing strategy.

Some tips to finding a mutually agreeable price include:

- Bundling offerings to suggest that your client is getting a number of services for a discounted price.
- Quoting a higher price than your bottom line price to leave room to compromise.

Negotiations and contracts

The big picture is important to your Indian counterpart – aim to reach an agreement that will promote a long term, mutually beneficial relationship.

Assess your competitive position

Indian businesspeople are more open to sharing sensitive information in informal settings, rather than in formal meetings. Personal relationships can be leveraged when negotiations are escalating or at an impasse.

Communicate effectively

Adapt the flow of the discussion to suit your Indian counterpart. Indians are big picture thinkers and tend to discuss various elements of a project at the same time, instead of subsequent elements sequentially. Additionally, teams that appear to be unified and avoid expressing contradictory views in meetings are seen to be more reliable and capable by Indian clients.

Contracts

Consider including a clause in your contract as to which jurisdiction or which courts or tribunals any disputes that arise will be settled in. Some foreign companies doing business in India may agree with their Indian partners that disputes should be settled in a neutral location such as Singapore.

Negotiating in India

Aim to build mutually beneficial outcomes – be prepared to compromise.

Common negotiation tactics include feigning negative behavioural cues and applying time pressure to force compromise. Hold your ground.

Although Indians are more transaction-focused than other Asian cultures, be prepared for a relatively long negotiations process.

Invest time and money in face-to-face meetings for better long term outcomes.

Senior figures on the Indian side may avoid denying a request to save face. Ensure that you probe politely for accurate answers.



A local guide:

It is possible to hire a guide in major cities who charges a daily rate. This may be useful for your first trip to India. A good guide will be able to speak fluent English, may also provide a car service, and can even organise restaurant reservations for meetings with clients.

Practical information

Visas

Visitors to India must acquire visas before they travel to the country. Citizens of a small number of countries are eligible to receive visas on arrival, at a cost of USD 40-60, depending on nationality. The process requires a passport size photograph. Check your local Indian embassy or consulate website for further information about which visa best suits your purpose as well as what the application process and timeline is in your country.

Currency

The Indian currency is **Rupees**

100 paisa = 1 rupee

International dialing code



Dining

A great deal of business in India is conducted over meals. An invitation to lunch or dinner is a positive signal for the business relationship and the importance of appropriate dinner etiquette cannot be overstated.

Transport

Trains

Most of India's major cities have continuously growing mass transit rail systems. They are generally cheap, reliable and safe. However, they can also be very crowded. Trains can be a much more efficient travel option than taxis once you become well-acquainted with them. A monthly train pass in the general class costs INR 100 while a first class one costs INR 500.

Inter-city express: India's inter-city network of trains connects almost every small and large city across the country. This presents an economical travel option between cities, compared to domestic flights. However, delays are not uncommon. A one-way air conditioned train ride from Delhi to Mumbai ranges in price from approximately INR 1500 to INR 3700 (approximately USD 35 – 80).

Air travel and airports

There are a number of international airports as well as a wide network of domestic airports in India. Most foreign travelers enter India via the major airports of Delhi, Mumbai and Bangalore.

> Indira Gandhi International Airport Delhi

Indira Gandhi International Airport (Delhi)

16km to city. 45 mins by taxi. Major hotel shuttle buses. Delhi Metro Airport Express train to city in 25mins (INR 20 – INR 100) – 4:45am to 11:30pm. Major hotels offer airport transfers.

Chhatrapati Shivaji International Airport (Mumbai)

30mins by car to Andheri; 20mins to Bandra; 1 hour to Colaba and Nariman Point.

Kempegowda International Airport (Bangalore)

30km to city. 1 hour by taxi to city centre. Airport transfers and car rental services available.

Taxis

Plentiful and inexpensive.

Can be inefficient due to slow traffic in major cities.

Taxis with no running meter are illegal.

Not all drivers speak English well – Translate your destination to Hindi or the local language and save it to your mobile or circle it on a map.

Full day driver services can be an efficient mode of travel, with English speaking drivers available on request.

Chhatrapati Shivaji International Airport Mumbai

> Kempegowda International Airport Bangalore

Useful apps



Google Translate

Shows Hindi characters and English phonetic



Hike

Free messaging service, growing more popular



NDTV

India's leading news app



Ride hailing app available in most cities, allowing you to choose from a range of comfort options and vehicle sizes







Google Maps

Walking and driving directions which can also be downloaded and used offline



One-stop shop for hotels, domestic flights, trains and bus bookings



IRCTC Connect

Train bookings



Map My India

More detailed version of Google Maps, which includes lanes and bylanes



Ride hailing app



WhatsApp

Free messaging service, used both for business and personal communication



Flipkart

Online shopping portal



India Air Quality

Gives a reading of air quality in eight major Indian cities, including Mumbai, New Delhi, Bangalore and Pune



Social networking



Major ecommerce portal

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Common phrases

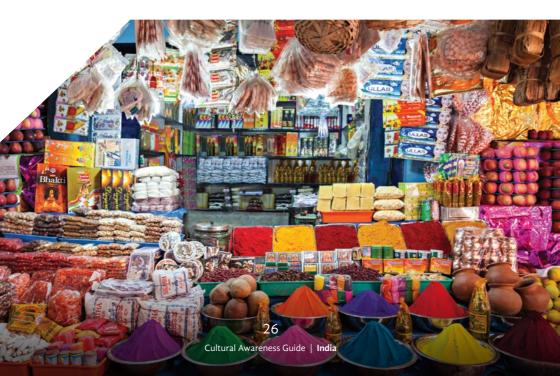
There is a high level of English literacy and Indian businesspeople do not expect most foreign counterparts to speak Hindi or the language or dialect of the region.

However, knowing and using a few basic phrases, particularly when greeting your Indian client, will demonstrate your interest in and respect for Indian culture and will contribute to a positive business relationship. For ease of reference, Hindi phrases have been used in this section as it is the official language of India.





Phrases	Hindi Phonetic	
Hello and Goodbye	Namaste / Namaskār	
Good/Bad	Acchā / Burā	
Big / small	Bada / Chhota	
How are you?	Aap kaisey hain?	
I'm fine, thank you	Mein theek hoon, shukriya!	
Thank you	Shukriyaa (Bahut dhanyavaad)	
My name is	Meraa naamhai.	
l cannot speak Hindi	Hindī bāta nahīm kara sakatē	
I don't understand	Mujhey samajh mein nahi aataa.	
Hold on/one moment please	Ek minat	
I'm sorry/Excuse me	Kshama keejeeae	
How much is this?	Yeh kaisey diyaa?	
(Too) Expensive	(Adhika) mahaṅgā	
Help!	Madada	



Indians also use particular terms to count large numbers. These terms are most commonly used when citing dollar amounts, population sizes or land mass.

International figure	International term	Indian figure	English (Hindi) term
1	One	1	One (ek)
10	Ten	10	Ten (das)
100	Hundred	100	One hundred (sau)
1,000	Thousand	1,000	One thousand (sahasra / hazār)
10,000	Ten thousand	10,000	Ten thousand (das hazār)
100,000	One hundred thousand	1,00,000	One lakh (lākh)
1,000,000	One million	10,00,000	Ten lakh (adant / (das lākh)
10,000,000	Ten million	1,00,00,000	One crore (karor)
100,000,000	One hundred million	10,00,00,000	Ten crore (das karor)
1,000,000,000	One billion	1,00,00,00,000	One hundred crore (sau karo <u>r</u>)
10,000,000,000	Ten billion	10,00,00,00,000	One thousand crore (ek hazār karo <u>r</u>)
100,000,000,000	One hundred billion	1,00,00,00,00,000	Ten thousand crore (kharab)
1,000,000,000,000	One trillion	10,00,00,00,00,000	One lakh crore (ek lākh karor̯)

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Festivals and holidays

Indians celebrate a number of different religious festivals and these vary from state to state and between religions.

Some of these can offer a good opportunity for social interaction with your local counterpart, to build deeper relationships. some major festivals such as Diwali, additional days are taken as holidays which are not listed as official public holidays. There are also numerous holidays celebrated in each state which are not national religious festivals. Always check dates with your Indian counterparts before you book your trip to India.

Holiday	Date	Description	
New Year's Day	Jan 1	New calendar year	
Republic Day	Jan 26	Marks the anniversary of the day the Constitution of India entered into force	
Independence Day	Aug 15	Commemorate the nation's independence from the British Empire	
Gandhi Jayanti (Gandhi Jubilee)	Oct 2	Commemorate the birth of Mahatma Gandhi who led the peaceful fight for India's independence from British colonial rule	
Diwali/Deewali/ Deepavali (except West Bengal)	Between late October and mid November.	Festival of lights celebrating the triumph of good over evil	
Christmas	Dec 25	Christmas Day	

About us

Asialink Business

Asialink Business provides high-calibre opportunities for Australian businesses to build the Asia capability of their executives and team members.

Our business and cultural competency programs, professional development opportunities and practical research products allow businesses to develop essential knowledge of contemporary Asian markets, business environments, cultures and political landscapes.

Supported by extensive market research and customer intelligence, Asialink Business is uniquely positioned to provide tangible support to Australian businesses wishing to maximise their economic opportunities.

To start a conversation about how we can help build Asia capability in your business, please get in touch.

Asialink Business Tel: +61 3 8344 4800 Web: www.asialinkbusiness.com.au

Westpac in Asia

Westpac Banking Corporation (Westpac) was founded in 1817. As the first bank and company established in Australia, we have proudly supported our customers for 200 years.

Our Asian presence has been established since 1971, with branches in Mumbai, Singapore, Beijing, Shanghai, Hong Kong and a representative office in Jakarta.

In addition to our Asian footprint, customers also receive dedicated support from our network of offices across Australia and New Zealand and in the major financial centres of New York and London.

Westpac provides a broad range of financial services to retail, commercial, corporate, institutional and government customers. Westpac Group employs approximately 40,000 people and we serve around 13 million customers globally.

For more information about how Westpac can support you in India visit www.westpac.in

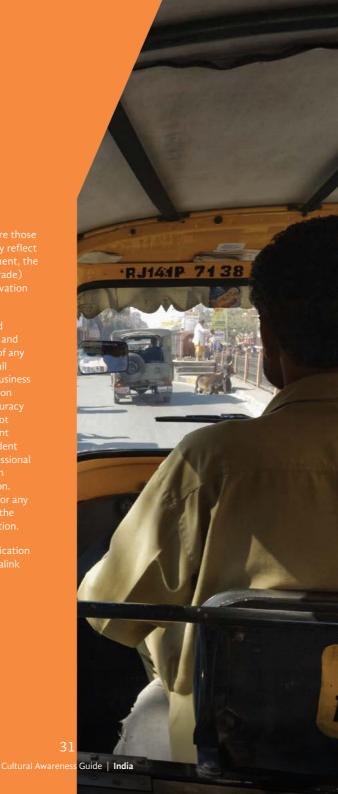
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