Honor and dignity cultures: Effect of social reward on trust and cooperation in a negotiation

Mirte de Keyser

In collaboration with Pola Surowiec

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Faculty of Social and Behavioral Sciences – Leiden University
Date: 22\(^{\text{th}}\) of May 2015
Student number: 1191756
First examiner of the university: Said Shafa
Second examiner of the university: Welmer Molenmaker
Abstract

The present research compared members of dignity and honor cultures and aims to demonstrate how the presence of a social reward influences their level of trust, negotiation offers and use of negotiation strategy in a negotiation. By using a negotiation scenario we found that members of honor cultures trusted less, had higher negotiation offers (i.e. target goals, first prices and limit of the offers) and used both more the S&O as the Q&A strategy. In contrast to the predictions, the presence of a social reward did not influence the level of trust, target goals and first prices of the offers for members of honor cultures. The presence of a social reward did influence the limit of offers for both cultures, which was mediated by positive reciprocity. Furthermore, the presence of a social reward did not influence the use of negotiation strategy. The findings will be discussed in light of previous and future research.

'More than ever, faced with the challenges of living together in a nuclear age on an increasingly crowed planet, for our own sake and the sake of our future generations, we need to learn how to change the basic game of conflict. We need to go to getting to 'Yes' (Fisher, Ury & Patton, 2012). The above quotation reflects the importance of cooperation in negotiations. Negotiations are a common process in daily life, within families, in politics, in business and so on. It often occurs that negotiations take place between people of different cultural backgrounds. For example, negotiations between US and Syria about the political situation in Syria or negotiations of the UN about a covenant. Because different cultures have different ways of making decisions, intercultural negotiations are an interest for psychological research. A lot of research focuses extensively on
differences between dignity and face cultures, however the present research compared dignity cultures with honor cultures.

The present research focuses on the influence of the ideals of dignity and honor cultures and social rewards on trust and cooperation in negotiations. Specially, the present research investigates how the presence of a social reward influences the negotiation offers and negotiation strategies of members of dignity and honor cultures, and the role of trust by this relationship.

**Dignity and honor cultures**

The present research focuses on the differences between dignity and honor cultures, which have been a main focus in research by others as well. To begin with dignity cultures, which can be found in Western European countries and in the North of the US (Leung & Cohen, 2011; Cross et al., 2014). Dignity can be defined as the intrinsic value of a person, which is possessed from birth and equal to the dignity of others (Leung & Cohen, 2011; Severance et al., 2013). It is supposed that person's dignity can never be lost (Severance et al., 2013). People have an inherent human worth (Leung & Cohen, 2011; Cross, Uşkul, Gerekş-Swing, Alözkan, & Ataca, 2012). The self-worth of members of dignity cultures is stable and equal to others (Ayers, 1984), which is devoting to the independent self construal of members of dignity cultures: people's self-image is not related to the behavior of others (Leung & Cohen, 2011; Severance et al., 2013). Thus, internal evaluations of the self are more important than external evaluations of the self for members of dignity cultures (Severance et al., 2013). Self-worth is intrinsically derived, and therefore it can neither increase by others esteem or decrease by others disrespect (Leung & Cohen, 2011; Cross et al., 2012). Social rejection or social exclusion are not
very damaging for the self-worth of members of dignity cultures and they also do not have to prove themselves to others (Severance et al., 2013). In theory, insults and aggressive behaviors towards people's dignity do not harm one's dignity (Severance et al., 2013).

On the other hand there are honor cultures, which can be found in the Middle East, North African, Mediterranean (Uskul, Cross, Sunbay, Gercek-Swing & Ataca, 2012) and Latin American areas (Cross et al., 2014), and in the South of the US (Cohen, Nisbett, Bowdle & Schwarz, 1996). Honor is defined as the value of a person in his own eyes, but also in the eyes of others and the society (Leung & Cohen, 2011; Cross et al., 2012; Severance et al., 2013). Honor is not possessed from birth, but has to be earned and can also be lost (Severance et al., 2013). Honor has a collectivistic nature based on social image or reputation, which refers to how people see others and how much people value others (Rodriguez, Mosquera, Fisher, Manstead & Zaalberg, 2008). Both reputation of the self and family are important (Severance et al., 2013), and therefore evaluations of the self are both internally and externally derived. Members of honor cultures have an interdependent self-construal, so their self-image is related to the behavior of others and the group to which they belong is important for them (Leung & Cohen, 2011; Severance et al., 2013). Social image strongly affects self-image, what makes protection of social image in social relations a concern (Rodriguez et al., 2008). Social exclusion is very damaging for people's self-worth (Severance et al., 2013), and for that reason members of honor cultures try to maintain strong family ties, social harmony and interdependence (Rodriguez et al., 2008). Honor cultures are characterized by warmth, hospitality and politeness, but also by aggression (Cross et al., 2012). When honor is harmed, members
of honor cultures react by punishing the offender to discourage the other from further violation (Cross et al., 2012; Severance et al., 2013).

A lot of research has focused on the negative side of honor, when it is harmed. For example, Van Osh, Breugelmans, Zeelenberg and Bölük (2013) found that members of honor culture react more aggressively after insult than members of dignity cultures, due to a higher concern for family honor. Cohen et al. (1996) found also that members of honor cultures were more aggressive, but also more upset and angry after insult. They felt more threat to their masculine reputation and were more physically aroused for future aggressive behavior (Cohen et al., 1996). Moreover, research by Beermsa, Harinck and Gerts (2003) found that after an insult from a co-worker, individuals with high honor values reacted more in a competitive way to the workplace conflict than individuals with low honor values. This was partially explained by the fact that they also perceived more conflict and experienced more negative emotions (Beersma et al., 2003).

**Cooperation and social rewards**

But what can be done to diminish conflict after being offended or how can cooperation be instigated between members of dignity and honor cultures? Cooperation is often a result of reciprocity, which motivates people to react in accordance with others to have balanced relationships. Reciprocity means that people respond more nicely and cooperative to friendly behavior and respond more badly and not cooperative to hostile actions (Engelen, 2008). In case of negative reciprocity, a person tends to punish offenders with antisocial behavior, even when it is not beneficial for that person. In case of positive reciprocity, a person tends to answer a gift with a gift, even when it is not needed to receive a gift back (Engelen, 2008). People with strong reciprocity norms want
to repay gifts and punish the violation of cooperation and fairness norms more, even in an one-shot interaction with unrelated strangers (Engelen, 2008).

Members of honor cultures have strong reciprocity norms. They want to pay back the good as well the bad, so they respond with negative reciprocity to insults and with positive reciprocity to favors (Leung & Cohen, 2011). Leung and Cohen examined in their first experiment how positive reciprocity was related to the approval of honor-related violence and to the belief in an individual worth, namely inherent worth in dignity cultures versus socially conferred worth in honor cultures. Positive reciprocity was measured with how much participants try to help one of the confederates by finding back a disk. The confederate gave a candy to the participants in the positive reciprocity condition or gave no candy to the participants in the non reciprocity condition. Results showed that in the positive reciprocity condition honor-culture participants who most endorsed payback in form of honor-related violence tried to help the confederate more than honor-culture participants who rejected honor-related violence. In contrast, after receiving a gift dignity-culture participants who rejected honor related violence tried to help the confederate more than dignity-culture participants who endorsed payback in form of honor-related violence (Leung & Cohen, 2011). Furthermore, a higher belief in an inherent worth resulted in more effort to repay a gift. So, members of dignity cultures wanted to pay back a gift because of one's integrity, whereas members of honor cultures wanted to payback a gift because of high reciprocity norms (Leung & Cohen, 2011).

Cooperation is often the result of reciprocity (Engelen, 2008), and likewise members of dignity and honor cultures were more willing to cooperate after receiving a gift (Leung & Cohen, 2011). The gift can be seen as a way to give the receiver a social
reward. Social rewards are the use of typically expressed verbal cues, for example recognition, attention, praise, compliments and respect (Stajkovic & Luthans, 2003). The gift will be given in exchange for future benefit, however receiving future benefit is dependent on how the receiver will react on the gift. Will the receiver continue with dominant behavior to maximum own benefit or reciprocate for joint benefit? Which strategy the receiver chooses, depends on if the receiver trusts the intentions of the other person (McCabe, Rigdon & Smith, 2002). The present research aims to demonstrate that a social reward in form of a gift signals cooperation and that the receiver of the gift will trust the intentions of the other person and will reciprocate with cooperation as well. As shown in several research, rewards have a strong positive effect on building trust. For example, research by Servátka, Tucker and Vadivic (2011) showed that giving a gift increased trust. In their research participants increased their amount of money in the investment game after receiving a gift as a result of increased trust (Servátka et al., 2011). Furthermore, research by Tjosvold (1985) found that by using a joint decision making task, cooperative rewards leads to more interpersonal trust than competitive rewards (Tjosvold, 1985). Cooperative rewards are based on joint performance and stimulate cooperate behavior (e.g. information sharing), whereas competitive rewards are based on the performance of an individual and stimulate adverse behavior (e.g. withholding of information) (Ferrin & Dirks, 2003).

**Trust, honor and dignity cultures**

Cooperation is important for trust, because cooperation signals that a person is trustworthy (Engelen, 2008). Trust is defined as the willingness to have confidence in a partner (Ribbink & Grimm, 2014) and trust is strongly influenced by culture (Gunia,
Members of honor cultures have a lower level of trust than members of dignity cultures, which can be explained in terms of tightness. For example, the present research compared the honor culture of Spain with the dignity culture of the Netherlands. The honor culture of Spain is characterized with more tightness compared to the dignity culture of the Netherlands (Gelfand, 2011). Cultures with a 'tight' character (e.g. Spain) have strong and clearly defined social norms (Gelfand, Nishii & Raver, 2006). Members of 'tight' cultures rely more on institutional trust. Institutions control their situations and provide assurance, so there is no need for interpersonal trust (Yamagishi & Yamagishi, 1994). Instead, trust is more dependent on the situation and benevolence: when the trustee signals reciprocity, loyalty and cooperation (Branzei, Veryinsky & Camp, 2007). In contrast, cultures with a 'loose' character (e.g. Netherlands) have relatively flexible and informal social norms (Gelfand et al., 2006). Members of 'loose' cultures rely more on interpersonal trust due to smooth social interactions (Yamagishi & Yamagishi, 1994). This could explain why members of dignity cultures tend to make the 'swift trust' assumption: they trust others until is proven otherwise (Weber, Malhotra & Murninghan, 2005).

Furthermore, culture influences trust and trust is an important element in negotiations (Gunia et al., 2011; Ribbink & Grimm, 2014). Members of 'tight' cultures have a lower level of trust in negotiations than members of members of 'loose' cultures. This is demonstrated in research by Gunia et al. (2011), which stated that American participants of a 'loose' culture have high interpersonal trust, whereas Indian participants of a 'tight' have low interpersonal trust. Indian participants relies more on institutional trust, however there is less basis for institutional trust in negotiations. Results showed
that American participants indeed trusted more the counterpart in negotiations than Indian participants (Gunia et al., 2011). The independent self in dignity cultures is related to self-confidence and pragmatism, what makes members of dignity cultures more comfortable to trust their counterpart in negotiations (Brett, 2007). Members of dignity cultures are also less concerned about losing social status as a result of breach of trust than members of honor cultures (Aslani et al., 2011). Members of honor cultures have a high concern for losing social status due to breach of trust, and therefore are less comfortable trusting the counterpart and do not want to show weakness in negotiations (Aslani et al., 2011).

**Negotiation offers and negotiation strategy**

Trust is important in negotiations (Gunia et al., 2011; Ribbink & Grimm, 2014), because trust influences the level of information sharing. When negotiators trust their counterpart, they assume that the counterpart will share information with them in a beneficial way and not to take advantage of them (Gunia et al., 2011). Likewise, counterparts are seen as more trustworthy when they share more information, which also leads to more reciprocity of information sharing (Butler, 1995). Members of dignity cultures trust more and therefore they gather and share more information to gain insights (Brett, 2007). This was demonstrated in research by Aslani et al. (2011), which used a negotiation task to examine how cultural values of dignity and honor effect negotiation processes. Results showed that members of dignity cultures shared and actually exchanged more information than members of honor cultures, which resulted in more insight of preferences and priorities of their counterparts. Higher insight resulted in higher agreements on the six issues for members of dignity cultures. In contrast, members
of honor culture exchanged information less openly, resulting in lower insight and lower agreements on the six issues (Aslani et al., 2011). This could be explained by the more expressed negative emotions and aggressive motives as result of the competitive dynamics of a negotiation among members of honor cultures (Aslani et al., 2011). Negotiators with competitive motives are commonly to make the first offer and make the first offer as extreme as possible, while still being reasonable (Bazerman & Neale, 1992). Making a high first offer is beneficial for negotiators with competitive motives, because it is an anchor for the counteroffer. So the higher the first offer, the higher the counteroffer and agreement price (Galinsky & Mussweiler, 2001). Members of honor cultures aspire to have higher agreements in negotiations than members of dignity cultures (Aslani et al., 2011). Negotiators with high aspirations try to persuade for own benefit (Kimmel, Pruitt Magenau, Konar-Goldband & Carnevale, 1980), for example by trying to limit counterpart's offers (Maaravi, Ganzach & Pazy, 2011).

Furthermore, the level of trust and information sharing in a negotiation affects the choice of negotiation strategy (Ribbink & Grimm, 2014). Negotiation strategies are used to achieve an agreement (Gunia et al., 2011). An example of a negotiation strategy is the Question and Answer strategy. The Q&A strategy relies on asking questions and providing answer early in the negotiation, because questions leads to more information sharing and answers leads to knowledge about priorities, preferences and interests (Gunia et al., 2011). The shared information and knowledge will be integrated in offers. The Q&A strategy is based on trust, because it is uncertain if the counterpart will use information from questions and answers to take advantage (Butler, 1999). Members of
dignity cultures are comfortable to trust the other party, and therefore uses the Q&A strategy more often (Gunia et al., 2011).

Another negotiation strategy is Substantiation and Offers, which is more use by members of honor cultures (Gunia et al., 2011). The S&O strategy relies on justifying own demands and challenging counterparts' logic, assumptions or facts. Substantiation tactics are for instance power plays, threats and appeals to fairness and the aim is to be more advantaged in the offers (Gunia et al., 2011). The S&O strategy is not based on trust, because of less uncertainty of the use of the information (Gunia et al., 2011). Therefore, negotiators with a low level of trust and high aspirations are likely to use strategies to persuade the other to improve his proposal for own benefit. (Kimmel et al., 1980). The S&O strategy can be the result of competitive motives of the negotiators or as a defense to the motives of the counterpart (Bazerman & Neale, 1992). Members of honor cultures had more aggressive motives as a result of the competitive dynamics of a negotiation, and therefore aspire to have higher agreements in negotiations than members of dignity cultures (Aslani et al., 2011).

**Present research**

Studies have investigated differences between dignity and honor cultures (e.g. Rodriguez et al., 2008; Leung & Cohen, 2011; Cross et al., 2012; Severance et al., 2013). Especially, a lot of research has compared dignity and honor culture by focusing on the negative side of honor, in case honor is harmed (e.g. Cohen et al., 1996; Beersma et al., 2003; Van Osh et al., 2013). However, not much is known about how to instigate trust and cooperation among members of honor cultures. The present research focuses on the influence of the ideals of dignity and honor cultures and social rewards on trust and
cooperation in negotiations. Specially, we investigate how the presence of a social reward influences trust, the negotiation offers and negotiation strategies of members of dignity cultures and members of honor cultures.

Based on findings of previous research regarding trust and cultures (e.g. Gelfland et al., 2006; Yamagishi & Yamagishi, 1994), we assume that members of a dignity culture generally trust more than members of honor cultures. Furthermore, research has shown that rewards has a strong effect on building trust (Tjosvold, 1985; Ferrin & Dirks, 2003; Servátka et al., 2011), and we assume that the presence of a social reward will lead to trust in a negotiation as well. However, because of the low level of general trust in combination with strong reciprocity norms, we assume that the level of trust of members of honor cultures in a negotiation will be more vulnerable for the presence of a social reward. In contrast, because members of dignity cultures are likely to generally trust another person, we assume that the level of trust of members of dignity cultures in a negotiation will be not dependent on the presence of a social reward. Therefore, we have the following three assumptions regarding trust:

*Hypothesis 1:* Dutch participants will score higher on general trust than Spanish participants.

*Hypothesis 2a:* The participants in the social reward condition will score higher on situational trust than participants in the no social reward condition.

*Hypothesis 2b:* Spanish participants will score higher on situational trust in the social reward condition than Spanish participants in the no social reward condition, whereas
Dutch participants will score high on situational trust regardless of the presence of a social reward.

Furthermore, because of the low level of trust and high concern that trust will be betrayed in combination with competitive motives in negotiations (Aslani et al., 2011), we assume that members of honor cultures will have higher negotiation offers than members of dignity cultures. Furthermore, we assume that the target goals, first prices and limit of offers are not based on trust, but a result of the motives and aspirations of the negotiator (Bazerman & Neale, 1992; Galinsky & Mussweiler, 2001). Therefore, we expect that the presence of a social reward will not influence negotiation offers. However, because members of honor cultures have strong reciprocity norms (Leung & Cohen, 2011), we expect the presence of a social reward will lower the negotiation offers of members of honor cultures. The presence of a social reward will not influence the negotiation offers of members of dignity cultures. Therefore, we have the following three assumptions regarding negotiation offers:

Hypothesis 3a: Spanish participants will have a higher target goals, higher first prices and a higher limit of offers than Dutch participants.

Hypothesis 3b: There will be no main effect of social reward on negotiation offers.

Hypothesis 3c: Spanish participants will have lower negotiation offers in the social reward condition than Spanish participants in the no social reward condition, whereas the presence of a social reward will not influence the negotiation offers of Dutch participants.
Furthermore, the Q&A strategy is based on trust and members of dignity are likely to trust another person in a negotiation (Gunia et al., 2011), so we assume that members of dignity cultures use more the Q&A strategy than members of honor cultures. Furthermore, we assume that a social reward will lead to trust in a negotiation and therefore will increases the use of the Q&A strategy, which is based on trust. However, because of the low level of general trust of members of honor cultures, we predicted that the presence of a social reward will make in particular members of honor more vulnerable for the use of the Q&A strategy. Because of the high level of general trust, members of dignity cultures are likely to use the Q&A strategy and will use the Q&A strategy regardless of the presence of a social reward. Therefore, we have the following three assumption regarding the use of Q&A strategy:

*Hypothesis 4a:* Dutch participants will use more Q&A strategy than Spanish participants.  
*Hypothesis 4b:* The participants in the social reward condition will use more the Q&A strategy than participants in the no social reward condition.  
*Hypothesis 4c:* Spanish participants will use the Q&A strategy more in the social reward condition than Spanish participants in the no social reward condition, whereas Dutch participants will use the Q&A strategy regardless of a presence of a social reward.

Finally, the S&O is not based on trust and could be the result of competitive motives of the negotiators (Gunia et al., 2011). Because of the low level of trust and competitive motives of members of honor cultures in negotiations, we assume that members of honor cultures will use more the S&O strategy than members of dignity
cultures. Because the S&O strategy relies not on trust, we do not expected that the presence of a social reward will influence the use of the S&O strategy. In line with this hypothesis, we do not expect that the presence of a social reward in combination with belonging the one of the two cultures will influence the use of S&O strategy. Therefore, we have the following three assumption regarding the use of S&O strategy:

Hypothesis 5a: Spanish participants will use more S&O strategy than Dutch participants.

Hypothesis 5b: There will no main effect of social reward on use of the S&O strategy.

Hypothesis 5c: There will no interaction effect of social reward and culture on use of the S&O strategy

To test our hypotheses we conducted an experiment in which participants have to read a scenario. First, individual characteristics and cultural values of dignity and honor were measured. Subsequently, participants read a scenario about a negotiation with their imaginary neighbor about a video projector. Participants receive a gift from their neighbor in the condition with the social reward, while participants receive no gift from their neighbor in the condition without the social reward. Finally, trust, negotiation strategies and negotiation offers were measured.

Method

Participants and design

In the present research 210 participants participated. Four participants were removed, because one participant did not complete the test and three participants strongly deviated (more than 5 standard deviations) in terms of age. In the final analysis,
participants were 114 undergraduates of the University of Leiden (93 women, 81.6%) and
92 undergraduates of the University of Seville (77 women, 83.7%). Gender was equally
distributed in the two cultures ($\chi^2 < 1$, ns). Spanish participants were between 18 and 32
years old ($M_{age} = 20.26^1$, $SD_{age} = 2.56$), and Dutch participants were between 17 and 28
years old ($M_{age} = 19.95$, $SD_{age} = 2.21$). The two cultures did not significantly differ in age
($F < 1$, ns). Honor-culture participants all had the Spanish nationality and the majority of
the dignity-culture participants had a Dutch nationality, one participant had a German
nationality, one participant had a English nationality and one participant had a Indonesian
nationality. Because Germany and England are dignity cultures as well and discarding the
one with the Indonesian nationality did not influence the results, these participants were
all included in the analysis. Participants were all rewarded with 1 course credit or 3,50 euro.

The experiment had a 2×2 quasi-experimental between-participants design. Participants were assigned to one of the two conditions of the independent variable
culture, namely Spanish participants to honor culture and Dutch participants to dignity
culture. Participants were randomly assigned to one of the two conditions of the
independent variable social reward (gift vs. no gift). Dependent variables were trust,
negotiation strategy and negotiation offers.

Procedure

Participants were recruited at the University of Leiden and the University of
Seville. Participants were informed that the study assessed cultural differences in a
negotiation and took about 25 minutes. Upon arrival, each participant signed the

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1 7 participants did not fill in their age. Therefore, the average mean of age of the honor culture group were filled in the missing values for the analysis.
informed consent and was led to a separate cubicle containing a computer, which was used to present the instructions, surveys and the scenario in order to collect data. First, participants filled in surveys about values of dignity and honor cultures, general trust and self-esteem. Subsequently, participants read a scenario about a negotiation and were asked to imagine that they negotiate with their neighbor about selling their video projector. Participants who were assigned to the social reward condition received a gift from their neighbor, while participants who were assigned to the no social reward condition received no gift from their neighbor. Then, negotiation strategies and negotiation offers were measured by asking questions about offer price and use of strategy, and trust during the negotiation was measured with a survey. Finally, participants were debriefed and rewarded with 1 course credit or 3,50 euro.

**Materials**

**Dignity values.** Dignity values were assessed with seven statements (Severance et al., 2013). For example, 'How much a person respects himself is far more important than how much others respect him'. Responses were measured on a 7-point rating scale (1 = *not at all*, 7 = *very much*), where higher scores indicated more endorsement of dignity values (α = .73).

**Honor values.** Honor values (family) were assessed with five statements (Rodriguez, Manstead & Fisher, 2002), which included items focused on concern for family honor. For example, 'How bad would people in your culture feel about themselves if their family had a bad reputation?' (α = .86). Honor values (personal and family) were assessed with five statements (Rodriquez et al., 2008), which included items focused on the importance of positive evaluation or respect by others and family social image. For
example, 'It is important that others see me as someone who deserves respect' (α = .73). Responses were measured on 7-point rating scales (1 = not at all, 7 = very much), where higher scores indicated more endorsement of honor values.

**General trust.** General trust were assessed with five statements (Gunia et al., 2011). For example, 'In negotiations the other party will try to be someone who keeps promises and commitments'. Responses were measured on a 7-point rating scale (1 = totally disagree, 7 = totally agree), where higher score indicated more trust (α = .80).

**Self-esteem.** The general feeling about oneself were assessed with ten statements (Rosenberg, 1979). For example, 'On the whole, I am satisfied with myself'. Responses were measured with a 7-point scale (1 = totally disagree, 7 = totally agree), where higher scores indicated more self-esteem (α = .72).

**Scenario**

The scenario consisted a negotiation between the participant and an imaginary neighbor. The participant was interested in selling a video projector and therefore the participant posted an ad in the hallway of the apartment building. The video projector of the participant was in good condition, besides of a scratch on the top because it felt once. A neighbor was interested in buying the video projector, and the relationship with this neighbor was limited to polite greetings in the hallway. In the social reward condition the neighbor brought a gift and in the no social reward condition the neighbor brought no gift. Then, the participant and the neighbor negotiated about the value of the video projector. The video projector was bought for 2000 euro and the preferred selling price was between 800 and 2200 euro.²

**Reaction to scenario**

² See appendix for the full version of the scenario.
**Negotiation offers.** Negotiation offers were assessed by asking three open questions about the offers and participants will respond by giving their prices. The first question was regarding target price of the offer, namely 'What is your target or goal? What is the best price you hope to get the buyer to pay?' The second question was regarding height of first offer, namely 'What is your opening price for the video projector?'. The third question was regarding limit of offer, namely 'What is the lowest price you are willing to accept from the buyer to sell the video projector?'.

**Negotiation strategy.** Negotiation strategy about Questions and Answers were assessed with eight statements (Gunia et al., 2011). For example, 'In this negotiation I would ask the other party what his/her needs were' ($\alpha = .74$). Negotiation strategy about Substantiations and Offers were assessed with eight statements (Gunia et al., 2011). For example, 'I would make a lot of offers' ($\alpha = .67$). Responses were measured with 7-point scales ($1 = totally disagree, 7 = totally agree$), where higher scores indicated more use of the negotiation strategy.

**Situational trust.** Situational trust during the negotiation were assessed with four statements (Gunia., 2011). For example, 'In this negotiation I would trust my counterparts'. Responses were measured with a 7-point scale ($1 = totally disagree, 7 = totally agree$), where higher scores indicated more trust of the counterpart ($\alpha = .81$).

**Positive reciprocity.** The positive reciprocity questionnaire was specially developed for the present research and it consisted four questions to measure positive reciprocity. For example, 'I would feel obliged to accommodate my neighbor'. Responses
were measured. Responses were measured on a 7-point rating scale (1 = *totally disagree*, 7 = *totally agree*), where higher score indicated more positive reciprocity ($\alpha = .76$).\(^3\)

**Manipulation check.** The manipulation will be checked by asking two questions, namely 'Did you receive anything from your neighbor?' and 'Did your neighbor bring you a gift?', which will be respond with yes or no.

**Results**

**Checks**

**Dignity values.** To check if dignity-culture participants scored higher on dignity values than honor-culture participants, an One-way ANOVA was conducted with the independent variable Culture and dependent variable Dignity values. Results showed that the main effect of Culture was significant ($F(1,204) = 17.73, p < .001, \eta^2_p = .08$). Thus, honor-culture participants and dignity-culture participants differ in the endorsement of dignity values. In line with the assumption, Dutch participants scored higher on dignity values ($M = 5.14, SD = .08$) than Spanish participants ($M = 4.66, SD = .08$).

**Honor values.** To check if honor-culture participants scored higher on honor values than dignity-culture participants, an One-way ANOVA was conducted with the independent variable Culture and dependent variable Honor values (family). Results showed a significant main effect of Culture ($F(1,204) = 33.26, p < .001, \eta^2_p = .14$). Thus, honor-culture participants and dignity-culture participants differ in the endorsement of honor values (family). In line with the assumption, Spanish participants scored higher on honor values ($M = 5.58, SD = .11$) than Dutch participants ($M = 4.74, SD = .10$).

Moreover, an One-way ANOVA was conducted with the independent variable Culture and dependent variable Honor values. Results showed that the main effect of

\[^3\] See appendix for the full version of the positive reciprocity questionnaire.
Culture was significant \((F(1, 204) = 18.60, \ p < .001, \ \eta^2_p = .08)\). Thus, honor-culture participants and dignity-culture participants differ in the endorsement of honor values (personal and family). In line with the assumption, Spanish participants scored higher on honor values \((M = 5.51, \ SD = .07)\) than Dutch participants \((M = 5.09, \ SD = .07)\).

Concluding, these findings corroborate the assumption that Spanish participants belonged to an honor culture and Dutch participants belonged to a dignity culture.

Self-esteem. To examine individual differences regarding self-esteem between the participants of a dignity and honor culture, an One-way ANOVA was conducted with the independent variable Culture and dependent variable Self-esteem. Results showed that the main effect of Culture was significant \((F(1, 204) = 19.42, \ p < .001, \ \eta^2_p = .09)\), and thus the two cultures significantly differ in self-esteem. Dutch participants scored higher on self-esteem \((M = 4.61, \ SD = .03)\) than Spanish participants \((M = 4.41, \ SD = .03)\). To take individual differences in self-esteem into account, ANCOVA’s were performed with the covariate Self-esteem for each of the hypotheses. ANCOVA was only necessary by hypothesis 1, because self-esteem was a significant predictor. However, the results of the ANCOVA was slightly different from an ANOVA without the predictor Self-esteem, and therefore an ANOVA was performed to test hypothesis 1.

General and situational trust: hypotheses 1, 2a and 2b

To test hypothesis 1 regarding the effect of culture on general trust, an ANOVA was conducted with the independent variable Culture and dependent variable General trust. Results showed that the main effect of Culture was significant \((F(1, 204) = 64.44, \ p < .001, \ \eta^2_p = .20)\), and the two cultures differ in level of general trust. In line with
hypothesis 1, Dutch participants scored higher on general trust ($M = 4.96, SD = .08$) than Spanish participants ($M = 4.00, SD = .09$).

Furthermore, to assess hypothesis 2a regarding the main effect of social reward on situational trust and hypothesis 2b regarding the interaction effect of culture and social reward on situational trust, a Two-way ANOVA was conducted with the independent variables Social reward condition and Culture, and dependent variable Situational trust. Results showed that there was no significant main effect of the Social reward condition on situational trust ($F < 1, ns$), which did not confirm hypotheses 2a. Moreover, the results showed that the interaction effect of Culture and Social reward condition was also not significant ($F < 1, ns$). This result did not confirm hypothesis 2b.

**Negotiation offers: hypotheses 3a, 3b and 3c**

Furthermore, negotiation offers were measured with three questions. To test hypotheses 3a, 3b and 3c, regarding the main effects of culture and social reward on negotiation offers and the interaction effect between culture and social reward on negotiation offers, Two-way ANOVA's were performed with the independent variables Culture and Social reward condition for each question.

First, the analysis of the dependent variable 'What is your target' showed that there was a significant main effect of Culture ($F(1,200) = 23.75, p < .001, \eta^2_p = .11$). Thus, the honor-culture participants and the dignity-culture participants significantly differ in the height of target prices. In line with hypothesis 3a, Spanish participants had higher target prices ($M = 1739.94, SD = 34.31$) than Dutch participants ($M = 1516.35, SD = 30.46$). Also, the main effect of Social reward condition was not significant ($F < 1, ns$), which confirmed hypothesis 3b for this question. Furthermore, the interaction effect of
Culture and Social reward condition was not significant \((F < 1, \text{ns})\). This result did not confirm hypothesis 3c for this question.

Subsequently, the analysis of the dependent variable 'What is your opening price for the video projector' showed that there was a significant main effect of Culture \((F(1,200) = 23.59, p < .001, \eta^2_p = .11)\). Thus, the honor-culture participants and the dignity-culture participants significantly differ in the height of openings prices. In line with hypothesis 3a, Spanish participants had higher openings prices \((M = 1846.24, SD = 33.13)\) than Dutch participants \((M = 1631.07, SD = 29.41)\). Also, the main effect of Social reward condition was not significant \((F < 1, \text{ns})\), which confirmed hypothesis 3b for this question. The interaction effect between Culture and Social reward condition was also not significant \((F < 1, \text{ns})\), which did not confirm hypothesis 3c for this question.

Finally, the analysis of the dependent variable 'What is the lowest price you are willing to accept from the buyer to sell the video projector?' showed a significant main effect of Culture \((F(1,201) = 5.24, p = .023, \eta^2_p = .03)\) and a significant main effect of Social reward condition \((F(1,201) = 4.91, p = .028, \eta^2_p = .02)\). Thus, the two cultures differ in the limit if offer and the presence of a gift influenced the limit of offer as well. In line with hypothesis 3a, Dutch participants accepted a lower price from the buyer \((M = 1202.36, SD = 28.71)\) than Spanish participants \((M = 1300.98, SD = 32.15)\). In contrast to hypothesis 3b, participants in the social reward condition were willing to accept a lower offer form the buyer \((M = 1203.94, SD = 30.32)\) than participants in the no social reward condition \((M = 1299.39, SD = 30.64)\). The interaction effect of Culture and Social reward condition was not significant \((F(1,201) = 2.20, p = .139)\), which did not confirm hypothesis 3c for this question.
**Negotiation strategy: hypotheses 4a, 4b, 4c, 5a, 5b and 5c**

Moreover, to assess the hypothesis 4a, 4b and 4c regarding the main effects and interaction effect of culture and social reward on Q&A strategy, a Two-Way ANOVA was conducted with the independent variables Culture and Social reward condition, and dependent variable Q&A strategy. Results showed a significant main effect of Culture ($F(1, 201) = 13.27, p < .001, \eta^2_p = .06$), so the two cultures significantly differ in the use of the Q&A strategy. In contrast to hypothesis 4a, Dutch participants used the Q&A strategy less ($M = 4.66, SD = .07$) than Spanish participants ($M = 5.05, SD = .08$). Furthermore, the main effect of Social reward condition was not significant ($F < 1, ns$), which confirmed hypothesis 4b. Also, the interaction effect between Culture and Social reward condition was not significant ($F < 1, ns$), which did not confirm hypothesis 4c.

Also, to test hypothesis 5a, 5b and 5c regarding the main effects and interaction effect of culture and social reward on S&O strategy, an One-way ANOVA was conducted with the independent variables Culture and Social reward condition, and dependent variable S&O strategy. Results showed a significant main effect of Culture ($F(1, 202) = 14.12, p < .001, \eta^2_p = .07$). So, the two cultures significantly differ in the use of the S&O strategy. In line with hypothesis 5a, Dutch participants used the S&O strategy less ($M = 3.94, SD = .06$) than Spanish participants ($M = 4.30, SD = .07$). Furthermore, the main effect of Social reward condition was not significant ($F < 1, ns$), which confirmed hypothesis 5b. Also, the interaction effect between Culture and Social reward condition was not significant ($F < 1, ns$), which confirmed hypothesis 5c.

**Manipulation check.** To assess the validity of the social reward manipulation, a Chi square test was conducted with the independent variable Social reward condition and
dependent variable 'Did you receive anything from your neighbor?'. Results showed Chi square was significant ($\chi^2 (1) = 7.51, p = .006$). Thus, the two conditions differ in confirming of receiving anything. 86 (83.5%) participants in the social reward condition confirmed that they received something from their neighbor compared to 69 (67.0%) in the no social reward condition. However, the differences in percentages between the two conditions were not that much convincing, what could be explained by the fact that the question was unclear stated ('something' receiving from your neighbor can be interpreted in multiple ways).

Furthermore, a Chi square test was conducted with the independent variable Social reward condition and dependent variable 'Did your neighbor bring you a gift?'. Results showed Chi square was significant ($\chi^2 (1) = 76.73, p < .001$). Thus, the two conditions differ in confirming of receiving a gift. 74 (71.8%) participants in the social reward condition confirmed that they received a gift from their neighbor compared to 12 (11.7%) in the no social reward condition. Differences in percentage between the two conditions were convincing, what indicated that this question was effective to check the manipulation.

As intended, participants confirmed that they receive a gift or something when the neighbor brings a gift in the social reward condition. This indicates that the manipulation of the independent variable social reward was effective.

**Mediation analysis**

In contrast to the prediction, an effect of social reward condition on 'limit of offers' has been found. Participants in the social reward condition were more willing to accept a lower price from the buyer than participants in the no social reward condition,
what probably could be explained by positive reciprocity. The gift will be reciprocate with accepting a lower price. To analyze this prediction, a Two-way ANOVA was conducted with independent variables Social reward condition and Culture, dependent variable Positive reciprocity. Results showed that a main effect of Social reward condition was significant ($F(1,202) = 11.56, p = .001, \eta^2_p = .06$). Participants in the social reward condition scored higher on positive reciprocity ($M = 3.92, SD = .10$) than participants in the no social reward condition ($M = 3.43, SD = .10$). Also, the main effect of Culture was significant ($F(1,202) = 49.01, p < .001, \eta^2_p = .20$). Dutch participants scored higher on positive reciprocity ($M = 4.17, SD = .09$) than Spanish participants ($M = 3.18, SD = .11$). The interaction effect between Social reward condition and Culture was not significant ($F < 1, ns$). Because this interaction was not significant, only the variables Social reward condition, Limit of offer and Positive reciprocity were included in the mediation analysis.

So, in the mediation analysis, regression was performed with dependent variable Limit of offer, independent variable Social reward condition and mediator Positive reciprocity. Results showed that Social reward condition influenced Positive reciprocity ($B = -.46, t (205) = -2.95, p = .004$). The variable Social reward condition was dichotomous and the social reward condition was coded with 1 and the no social reward condition was coded with 2. Thus, the negative regression coefficient indicated that positive reciprocity was lower in the no social reward condition than in the social reward condition. Also, Positive reciprocity influenced the Limit of offer ($B = -40.32, t (205) = -2.09, p = .0382$). Thus, the higher positive reciprocity the lower the limit of offer. Furthermore, the relation of Social reward condition on Limit of offer was significant ($B$
Thus, the positive regression coefficient indicated that the limit of the offers was higher in the no social reward condition than in the social reward condition. If the mediator Positive reciprocity was excluded, the relation of Social reward condition on Limit of offer was not significant \((B = 67.21, t (205) = 1.53, p = .1276)\). The regression model was also significant \((F(2,202) = 4.17, p = .0169)\). These findings indicates that the effect of Social reward condition on Limit of offer was mediated by Positive reciprocity. 4% of the variance in Limit of offer can be explained by this mediation model \((R^2 = .04)\). This indirect effect was different from zero (CI 95% between 2.22 and 48.56).

**Discussion**

This research aimed to investigate the effect of a social reward on trust, negotiation offers and negotiation strategy in a negotiation between members of dignity and honor cultures. We expected that the presence of a social reward will lead to more situational trust, lower negotiation offers (i.e. target goals, first prices and limit of the offers) and more use of the Q&A strategy by members of honor cultures. The presence of a social reward will not influence situational trust, negotiation offers and use of negotiation strategy by members of dignity cultures, because they will generally trust others more than members of honor cultures. They will have lower negotiation offers, will use less frequently the S&O strategy and will use more often the Q&A strategy than members of honor cultures. A negotiation scenario was used to test the hypotheses. The analysis showed that members of dignity cultures trust generally more than members of honor cultures. Furthermore, members of honor cultures had higher negotiation offers and use more the S&O strategy than members of dignity cultures. Surprisingly, members
of honor cultures use also more the Q&A strategy compared to members of dignity cultures.

Regarding the assumptions about trust, only the assumption that members of dignity cultures in general trust more than members of honor cultures was supported. The loose character of a dignity culture allows members of dignity cultures to trust until is proven otherwise (Weber et al., 2005), whereas the tight character of a honor culture makes the level of trust of members of honor cultures dependent of the situation and benevolence (Branzei et al., 2007). In contrast to the assumptions, social reward did not had an effect on situational trust and therefore a social reward did not influence the level of situational trust of members of honor cultures in a negotiation. Lack of support of the assumptions could not be the result of the manipulation, because the manipulation check showed that participants were aware of the gift in the social reward condition. The main explanation for absence of an effect of social reward on situational trust is the fact that the scenario was not an effective method to measure situational trust. The assumptions were based on the results of research which used an interaction between participants (Tjosvold, 1985; Ferrin & Dirks, 2003; Servátka et al., 2011) It is likely that an interaction between participants creates a situation where situational trust plays a salient role, because there is more occasion to build situational trust and reciprocate situational trust with cooperative behavior.

Besides, there were few small details of the negotiation scenario which made it difficult to measure situational trust. First, in the scenario situational trust could be less important, because the participant was familiar with the buyer instead of a stranger. Secondly, the scenario used only a social reward to stimulate cooperation, whereas
research showed that the presence of a reward in combination with the threat of a punishment was more effective for cooperation than only the presence of a reward (Andreoni, Harbaugh, Vesterlund, 2003). To provide participants information that they needed money and the buyer was the only opportunity to sell the video projector, results in a scenario with a social reward and threat for punishment in case the video projector was not sold. In this way, participants will be also more internally motivated to trust the buyer, what makes trust in the negotiation more important. The social reward forms an external motivation to trust the buyer, what could undermine trusting the buyer (Irwin, Mulder, Simpson, 2014).

Furthermore, regarding the assumptions about negotiation offers, findings showed that the assumption that members of honor cultures had higher negotiation offers than members of dignity cultures was supported. Members of honor cultures had higher target goals, higher first prices of the offers and higher limits of the offers, what could be the result of more use of a competitive strategy and higher aspirations of members of honor cultures in negotiations. It could also be the result of the lower level of general trust and a high level of betrayal aversion of members of honor cultures: they dislike the uncertainty or social risks which are involved by trusting another person (Bohnet, Greig, Hermann & Zeckhauser, 2008). Therefore, they probably demanded high negotiation offers in case their trust will be betrayed.

Moreover, in line with the assumption, target goals and first prices were not affected by the presence of a social reward. Previous research showed that target goals and first prices of offers are the result of the motives and aspirations of the negotiator (Bazerman & Neale, 1992; Galinsky & Mussweiler, 2001). However, in contrast to the
assumption the presence of a social reward did influence the limit from offers. The presence of a social reward made participants more willing to accept a lower offer from the buyer. The mediation analysis showed that this effect could be explained by positive reciprocity: the gift was reciprocated with accepting a lower price. Furthermore, in contrast with the assumption, the presence of a social reward did not lower the negotiation offers of honor-culture members as a result of reciprocity norms. Lack of support of this prediction has been shown in the mediation analysis, which showed no interaction between social reward and culture on reciprocity. This could be explained by the fact that the scenario does not measure an effect of social reward on situational trust. In the scenario situational trust in a negotiation seems not be important and there was no need to reciprocate situational trust with cooperative behavior by lowering negotiation offers.

Surprisingly and in contrast to the assumption, we found that members of honor cultures used more the Q&A strategy than members of dignity cultures. Also, in contrast to the predictions, the presence of a social reward did not lead to more situational trust and use of Q&A strategy for members of honor cultures. An explanation is that the scenario was not effective for measuring situational trust, thus the use of the Q&A strategy was not dependent on the level of situational trust of the participants. If trust does not play a role, the Q&A strategy became a low risk method for members of honor cultures and an effective strategy to share information in order to achieve the high negotiation offers. In the absence of trust, negotiators could use low risk methods like directional information sharing about preferences and priorities or competitive behaviour to achieve their aspirations (Kimmel et al., 1980).
Furthermore, the assumption that members of honor cultures use more the S&O strategy than members of dignity cultures was supported. Members of honor cultures were less likely to trust the counterpart and the S&O strategy was not based on trust (Gunia et al., 2011). Besides, the S&O strategy can be the result of competitive motives, what characterized members of honor cultures in negotiations (Aslani et al., 2011). Moreover, as expected the presence of a social reward did not influence the use of S&O strategy, for both members of dignity and honor cultures. Situational trust seems not to play a role in the scenario, but the S&O strategy relies not on trust and the use of the S&O strategy was likely to be independent of the presence of a social reward.

There are some limitations of the present study. First, the present study used a scenario instead of an interaction between participants, what made it difficult to measure situational trust. In a interaction situational trust is more important, because there is more occasion to build situational trust and reciprocate situational trust with cooperation than in a scenario. Therefore, we assume that an interaction will give different results and future research could investigate the effect of social rewards on situational trust of members of honor and dignity cultures in an actual interaction. However, the interaction should take place in a laboratory or virtual setting in order to draw conclusion about causality. Secondly, there were small details of the scenario which made it difficult to measure situational trust. For example, the absence of punishment-reward situation to stimulate cooperation and the absence of internal motivation to trust the buyer. Also, the topic of the scenario was to negotiate with your familiar neighbor instead of a stranger, what made situational trust less important. These factors should be taken into account in order to measure situational trust in future research in a scenario as well in an interaction.
Finally, because the findings of the present research were based on a scenario the external validity is limited. Findings based on interactions between participants, were more applicable for situations in the real world. However, the aim of the present research was first to find effects of rewards on situational trust, negotiation offers and strategies and future research could make conclusions based on interactions between participants of honor and dignity cultures in laboratory or field settings to generalize the results.

Our findings contributed to the research of cultural differences in use of negotiation strategies and offers. However, it is still unknown how rewards and situational trust affect the negotiations processes of members of dignity and honor cultures and future research should further analyze this relationship in an interaction. In an interaction situational trust is an important factor, which influence use of negotiation strategy, information sharing and negotiation outcomes of members of dignity and honor cultures. It will lead to additional results and further insights to what we found, and more applicable for situations in the real world. Future research to this topic will be of value, because to increase trust and cooperation between members of dignity and honor cultures is important for the more and more internationalization of the societies.

References


**Appendix**

**Scenario**

You are interested in selling a video projector. For that purpose, a few days ago, you posted the following ad in the hallway of your apartment building:

FOR SALE: I am selling my video projector. I bought it for 2 000€ six-months ago and it is still under warranty for another 18 months. It is in perfect condition, except a scratch on the top that does not impact performance. Price is negotiable.
You hope some of your neighbors are interested in buying it from you. You bought this high quality projector six months ago to use it at home for watching movies and pictures but you stopped using it very quickly. When you were trying to install it, you realized that the connection was not simple and the projector almost fell down, as a result of this incident, it is scratched on the top. But it works very well. You know that nowadays more and more people have projectors at home and you expect your neighbors to be attracted by it. The use of this projector can’t only be home but also for business in a more professional environment.

Until now, relationships among neighbors were limited to polite greetings in the hallway. Luckily, one of your neighbors is at the door with a gift for you in one hand and asking about the video projector. You welcome your neighbor into your living room, where you have placed the projector in its package, ready to go.

You both sit down, and you start thinking about the value of the video projectors. You know that the video projector you bought was 2.000 € and it is still under warranty. You estimate the value of a similar product at around 800-2.200€.

**Positive reciprocity questionnaire**

In this negotiation…

I would feel obliged to accommodate my neighbor

I would have to reciprocate my neighbor’s gesture

I would feel like I have to repay a favor

I would bring my neighbor a gift in the future