Marketing Insights from Quan He: Navigating Vietnamese Business Practices for Foreign Investors in an Emerging Market

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Abstract

Although Vietnam has attracted significant foreign investment in recent years, many Western companies continue to face challenges in building trust and cultivating meaningful relationships due to a limited understanding of local customs. The concept of Quan He, while central to Vietnamese business practices, remains largely undertheorized in academic literature. While much has been written about China's Guanxi and Western Relationship Marketing (RM), Vietnam's Quan He offers a distinct relational framework shaped by the country's dual ideological economy and cultural values.

This study explores the foundational elements of Quan He: The Dien (face-saving), Co Qua Co Lai (reciprocity), and Tinh Cam (emotional bonding), and compares them to Guanxi's Mianzi, Renqing, and Ganqing, as well as the core principles of RM such as communication, reciprocity, and bonding. Drawing on both theoretical analysis and empirical data collected from Vietnam, the United States, and Bangladesh, I propose a culturally grounded framework and introduce a validated scale to measure the three facets of Quan He. The findings provide important insights for international firms seeking to operate successfully in Vietnam by helping them navigate relationships and avoid common cultural missteps.

Keywords

Vietnamese business culture, Quan He, foreign investment, relationship marketing, Guanxi

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Introduction

This manuscript builds on an earlier version published in a local conference journal (Pham, 2024).1 The current version significantly expands the theoretical framing, revises the structure for an international business audience, and deepens the discussion with broader implications for foreign investors operating in emerging markets. Although Vietnam continues to draw substantial foreign investment, many Western firms struggle to establish trust and meaningful connections due to a limited grasp of local cultural norms. *Quan He*, a concept central to doing business in Vietnam, remains insufficiently developed in existing scholarship. While *Guanxi* and relationship marketing (RM) have been widely studied, *Quan He* has received little academic attention. As Vietnam becomes increasingly significant in global trade and operates within a unique dual ideological system, gaining a deep understanding of *Quan He* is crucial for foreign companies seeking to navigate the local business environment effectively and avoid cultural pitfalls.

Building and maintaining solid customer relationships is pivotal for enhancing firm performance and ensuring customer satisfaction, especially in emerging economies where personal relationships and networks are vital for business success (Ndubisi & Wah, 2005; Shaalan et al., 2013). The East and West have distinct approaches to building these relationships, known as Guanxi and RM. Grasping the nuances of these practices can offer cross-national companies a competitive edge by catering to diverse customer needs.

However, it is essential to note that Guanxi does not encapsulate all Eastern business relationship types. Vietnam, for instance, blends elements from both Guanxi and RM (Do et al., 2007; Nguyen Hau & Viet Ngo, 2012; Smith & Pham, 1996). The nation's shift from a centrally planned economy to a socialist market economy two decades ago (Beresford, 2008) has led to a unique blend of ideologies. This change has resulted in regional disparities, a new social class structure, and challenges in establishing a comprehensive legal framework (Nguyen, 2005). Consequently, Guanxi-style relationships have become crucial for business in Vietnam (Do et al., 2007).

In Vietnam, the cultural custom of Quan He, akin to Guanxi, emphasizes the significance of business relationships (Le & Nguyen, 2009). This practice, deeply rooted in Confucian philosophy, has several non-verbal rules that, if breached, can have severe repercussions. Despite its importance, more business research regarding Quan He needs to be conducted, highlighting the need for further study.

Quan He shares similarities with Guanxi in China, Kankei in Japan, and Kwan-kye in Korea. All these practices underscore the power of relationships in business. Given Vietnam's unique societal backdrop, examining Quan He in the context of both Guanxi and RM is beneficial.

This study seeks to bridge Quan He and Guanxi with RM. We aim to explore:

1. The compatibility of The Dien with mianzi (Guanxi) and "communication" (RM).
2. The alignment of Co Qua Co Lai/No On with renqing (Guanxi) and "reciprocity" and "empathy" (RM).

3. The comparison of Tinh Cam with ganqing (Guanxi) and "bonding" (RM).
4. The influence of these components on customers' purchase intentions across different cultural contexts.

To address these research questions, we will review the literature in the mentioned areas, comparing facets across Vietnamese, Chinese, and Western business practices. We have also gathered data from Eastern and Western countries to assess the impact of Quan He's components on consumer purchase intentions. The study concludes with recommendations for Western entrepreneurs aiming to succeed in Vietnam.

Theoretical Foundation

The significance of Guanxi in influencing performance has been widely discussed in academic literature. Various theories have been employed to elucidate the Guanxi-performance linkage, including social capital theory, social network theory, social embeddedness theory, transaction cost economics, and the resource-based view (Tang & Cheng, 2012). Among these, social capital and network theories are particularly relevant for our study, as they emphasize the role of social ties and networks in shaping business outcomes.

Social Capital Theory

Social capital theory posits that social ties, viewed as a form of social capital, facilitate the creation of valuable resources, leading to positive outcomes (Adler & Kwon, 2000; Burt, 2017). Such ties grant privileged access to information and opportunities (Inkpen & Tsang, 2005). Defined as a resource derived from social relationships (Granovetter, 1977), social capital encompasses cognitive, relational, and structural dimensions (Nahapiet & Ghoshal, 1998). This study focuses on the structural dimension, which pertains to relationship patterns.

Guanxi can bolster firms' competitive advantages as a form of social capital by facilitating access to favors, resources, and protection (Luo, 1997; Park & Luo, 2001; Peng & Luo, 2000). Leveraging Guanxi, firms can efficiently control resources, garner crucial information, and foster business collaborations, thereby enhancing performance (Park & Luo, 2001).

Social Network Theory

Social network theory delves into the formation and impact of social relationships (Kadushin, 2004; Krause et al., 2007; Liu et al., 2017). It categorizes networks into ego-centric (individual connections), socio-centric (within organizations), and open-system networks (inter-organizational) (Kadushin, 2004). This study emphasizes ego-centric networks, exploring individual relationships like those between salespersons and customers.

Guanxi, deeply rooted in collectivist societies, can be seen as an early form of social network theory (Hampden-Turner & Trompenaars, 2002). In this context, Guanxi components like Mianzi and Renqing align with weak ties characterized by short-term, distant interactions. In contrast, Ganqing, the highest Guanxi level, aligns with solid ties, denoting long-lasting, trustworthy relationships.

From RM to Guanxi and Quan He

RM, emphasizing long-term customer relationships, has gained prominence since the 1990s (Morgan & Hunt, 1994; Palmatier et al., 2006). While RM often pertains to organizational relationships, it can also apply to individual interactions. On the other hand, Guanxi operates at a personal level, representing individual social capital (Fan, 2002b; Wang, 2007).

To comprehend Quan He's compatibility with Guanxi, this study juxtaposes Quan He facets with Guanxi constructs and key RM components. Table 1 compares the key components of Quan He with Guanxi and Western Relationship Marketing. It highlights how Vietnamese business culture blends Eastern and Western relational norms, particularly in communication, reciprocity, and emotional bonding.

Communication, Mianzi (Guanxi), and Dien (Quan He)

Communication is pivotal in forming strong relationships between buyers and sellers. Effective communication can resolve disputes and foster trust and commitment (Morgan & Hunt, 1994; Palmatier et al., 2006). However, in East Asian cultures like China, Korea, Japan, and Vietnam, preserving one's reputation or "face" is paramount. This concept is termed Mianzi in China and Dien in Vietnam. Both emphasize the importance of maintaining one's social standing and dignity in public (Leung & Cohen, 2011; Pham, 2014).

In these cultures, direct criticism can be seen as a loss of face. Therefore, disagreements are often handled privately to avoid public embarrassment (GoinGlobal, 2015). Vietnamese proverbs like "Mất lòng trước, được lòng sau" and "Thuốc đắng dã tật, sự thật mất lòng" emphasize the value of honesty and careful communication.

Reciprocity, Renqing (Guanxi), and Co Qua Co Lai (Quan He)

Co Qua Co Lai in Vietnamese culture mirrors the concept of Renqing in Chinese Guanxi. Both emphasize the importance of reciprocity and empathy in relationships. In both cultures, favors are expected to be returned, though not necessarily immediately (Barbalet, 2021; Yen et al., 2017; Zhao & Zhang, 2020). This facet of the relationship is more profound than the first, requiring multiple exchanges of favors.

Table 1. Compare *Quan He* with Relationship Marketing and *Guanxi*.

Western (RM)	China (*Guanxi*)	Vietnam (*Quan He*)	Relationship Characteristic
Communication • Honesty and openness • Is more appreciated in private settings in the Eastern context • Direct and honest verbalization does not directly benefit Customer Satisfaction in Vietnam (Nguyen Hau & Viet Ngo, 2012)	*Mianzi* • External face/giving face to others • Represents an individual's prestige in society • Losing face causes mutual disaffection (Fan, 2002a)	*The Dien (Ne Mat)* • Face-saving • One's family background and class play a role • Consequence of losing face: the relationship with that person will be severely impacted	One-time interaction/superficial/short-term oriented
Empathy/reciprocity • Willingness to help • Put yourself in someone else's shoes • Empathy has no effect on Customer Satisfaction in Vietnam (Nguyen Hau & Viet Ngo, 2012)	*Renqing* • Sensibility/favor • "Obligation" to return • Non-repayment is immoral and will have a negative effect on the relationship (Park & Luo, 2001)	*Co Qua Co Lai/ No On* • Exchanging favor • Feel in debt for returning the favor • Uncomfortable to turn down others when requested to return a favor	Two-way transaction/moderate/long-term oriented
Bonding • Deepest link among business associations • Plays a significant role in building an effective business relationship • Increase the competitive advantage of firms	*Ganqing* • Feelings • Created and accumulated through long-term social relations • Could lead to a high level of trust	*Tinh Cam* • Affection • Strongest and the most intimate practice • Leads people to unconditional devotion, giving, and mutual protection	Intimacy interaction/close/long-term oriented

Bonding, Ganqing (Guanxi), and Tinh Cam (Quan He)

Tinh Cam in Vietnamese culture resembles Ganqing in Chinese Guanxi, representing deep emotional bonds formed over time. Such bonds are more substantial than mere reciprocity and involve mutual trust and protection. This concept aligns with the "bonding" dimension in RM, which emphasizes unified actions to achieve mutual goals (Sin et al., 2006). However, the intimacy in Ganqing or Tinh Cam is more profound than in Western "bonding."

Methodology

The methodology here entailed developing a novel scale to gauge the concept of Quan He, complemented by surveys to delve into the intricacies of these cultural notions across various contexts.

Building a New Scale to Measure the Three Facets: The Dien,
Co Qua Co Lai, and Tinh Cam

1. The Dien Facet: Communication and Face-Saving
    Communication is pivotal in relationship-building, encompassing the quality, frequency, and amount of information exchanged between parties (Anderson & Weitz, 1992; Morgan & Hunt, 1994; Palmatier et al., 2006). Effective communication is instrumental in resolving disputes and fostering solid relationships (Anderson & Narus, 1990; Palmatier et al., 2006). However, in East Asian cultures, including China, Korea, Japan, and Vietnam, there is a significant emphasis on preserving one's reputation and avoiding public embarrassment. This cultural nuance is termed Mianzi in China and Dien in Vietnam. Both concepts revolve around maintaining one's public image, dignity, and honor (Bedford, 2011; Hwang, 1987; Leung & Cohen, 2011; Pham, 2014; Wang, 2007).
2. Co Qua Co Lai Facet: Reciprocity & Empathy
    Like Renqing in Chinese culture, Co Qua Co Lai embodies the principle of reciprocal favor. In Chinese culture, Renqing is twofold: it signifies an individual's emotional response to daily situations and is closely tied to reciprocity (Hwang, 1987; Wang, 2007). Similarly, in Vietnam, there is a strong cultural emphasis on returning favors (Zhou & Bankston, 1998). The essence of this facet is captured in the Vietnamese proverb, "Có đi có ll mm tool lòng nhau," emphasizing the harmony achieved through reciprocal exchanges.
3. Tinh Cam Facet: Bonding & Affection
    Tinh Cam, synonymous with Ganqing in Chinese culture, represents the emotional bonds formed within networks. It is the pinnacle of relationship facets, cultivated through enduring social interactions and often characterized by unwavering loyalty (Zhang & Wang, 2007). In the

Vietnamese context, Tinh Cam signifies deep emotional connections, mutual protection, and implicit trust among closely-knit groups. This facet mirrors the bonding dimension in RM, which emphasizes unified actions to achieve mutual goals (Sin et al., 2005).

Summary

The three facets of Quan He, juxtaposed with RM and Guanxi components, offer a comprehensive understanding of relationship dynamics in the Vietnamese context. The Dien facet underscores the importance of communication and face-saving, the Co Qua Co Lai facet emphasizes reciprocity and empathy, and the Tinh Cam facet encapsulates deep bonding and affection.

Empirical Study

Research Design & Measures

Table 2 outlines the case scenarios used in the survey along with the corresponding measurement items for each construct. The scenarios reflect different levels of relationship closeness, while the items measure face-saving, reciprocity, relationship, and customer intention. The data for this study were collected from the US, Bangladesh, and Vietnam. While Guanxi is a Chinese concept, its principles are reflected in many East Asian cultures, making it relevant for a broader study.

The United States and Vietnam were selected for cross-cultural comparison due to their contrasting cultural orientations, with the US representing individualism and Vietnam representing collectivism. Bangladesh was included to assess the construct within its native socio-cultural context.

We decided to use a cosmetic product as our survey scenario because it involves a relationship between buyer and seller and is familiar to our respondents. Since no existing scales were available for our study, we developed measurement scales by adapting items from Yen et al. (2011) and consulting experts in the field. All measures were analyzed for validity and reliability by following the guidelines from Anderson and Gerbing (1988). We pre-tested the questionnaire among convenience samples and made necessary modifications. We then distributed the questionnaire to respondents in the USA and Bangladesh.

In the questionnaire, respondents were presented with a scenario and asked to respond to the questions. Respondents rated the questions on a five-point Likert scale. Each item is assigned a numerical value of 1 with a verbal statement "highly disagree" and a numerical value of 5 with a verbal statement "highly agree." A multi-item scale was used to measure each construct to assess reliability and validity. The dependent variable, intention, was measured through two items. Demographic variables are also collected from the respondents.

Data Collection

Data was collected from one large public university in each of the USA, Vietnam, and Bangladesh. Students majoring in business were invited to participate in the

Table 2. Case Scenarios and Measures.

Case Scenario 1:

You know a female sales representative at the Avon, a beauty and skincare store. You often visit this store for free consulting on different skincare products. She sometimes sends you free samples.

   Today, this salesperson gives you a call and directly asks you to visit her store to try another new face care product since her supervisor would like her to get a customer to try it on. Then she explains that she is under pressure of this month's quota for that new product sale (today is the end of the month). In other words, she hopes you will buy this new skincare product.

Case Scenario 2:

You have a very good friendship with a female sales representative at Avon, the beauty and skincare store. You know her family, and she knows yours quite well. She is more than a beauty consultant, but a good friend to you. You usually visit her store for free consulting and chatting. She often sends you free samples.

   Today, this salesperson gives you a call and asks you to try another new face care product since her supervisor would like her to get a customer to try it on. Then, she explains that she is under pressure of this month's quota for this new face care product sale (today is the end of the month). In other words, she hopes you will buy this new product.

Variables	Measures
Face 1	I am concerned about how others perceive me.
Face 2	I worry about losing face (mianzi) in daily life.
Face 3	I like to associate myself with people who have prestige or status.
Face 4	I like for people to think of me as a person having prestige or status.
Recp 1	I feel a sense of obligation to this salesperson for doing her a favor.
Recp 2	I think that "calling in" favors is part of doing business with this salesperson.
Recp 3	The practice of "give and take" of favors is a key part of the relationship between the salesperson and me.
Recp 4	I am happy to do a favor for this salesperson when she requests one.
Rela 1	I would try my best to help the salesperson when she is in need because she is a friend of mine.
Rela 2	I would consider whether the salesperson's feelings would be hurt before I made an important decision.
Rela 3	If I were to change this salesperson, I would lose a good friend.
Rela 4	My salesperson and I are usually able to talk openly as friends.
Int 1	Would you like to try this product?
Int 2	Would you buy this product?

survey. Though participation was entirely voluntary, bonus points were provided as an incentive. Respondent's anonymity is maintained by not providing any identification in the survey questionnaire.

   A total of 123 responses were collected from the USA. Likewise, 87 and 108 responses were collected from Bangladesh and Vietnam, respectively. Respondent's characteristics are depicted in Table 3.

Analyses

Exploratory factor analysis was conducted to investigate whether the measures used in this study loaded on expected variables. Even though items were adapted

Table 3. Sample Characteristics (USA, Bangladesh, and Vietnam).

USA		Bangladesh		Vietnam	
Age	%	Age	%	Age	%
18–25 years	60.3	18–25 years	90.8	18–25 years	18.6
26–45 years	36.4	26–45 years	9.2	26–45 years	66.7
45 years or above	3.3	45 years or above	0.0	45 years or above	14.7
Gender		Gender		Gender	
Male	37.1	Male	50.5	Male	35.2
Female	62.9	Female	49.5	Female	64.8
Occupation		Occupation		Occupation	
Employee	60.2	Employee	21.8	Employee	77.8
Business & others	39.8	Business & other	78.2	Business & other	22.2
Income		Income		Income	
Below $5,000	42.8	Below $5,000	91.1	Below $5,000	83.7
$5,001–$20,000	27.3	$5,001–$20,000	7.7	$5,001–$20,000	12.0
$20,001 and above	29.9	$20,001 and above	1.2	$20,001 and above	4.3
Marital Status		Marital Status		Marital Status	
Single	85.3	Single	97.7	Single	86.2
Married	14.6	Married	2.3	Married	13.8

from existing scales, EFA was necessary to validate construct structure in a new cultural context and to ensure the proper loading of our novel constructs, specifically the three facets of Quan He.

As expected, four factors were confirmed (Table 4). The eigenvalue of each factor is greater than 1. The cumulative variation was maintained by more than 60%. Table 4 contains the factor loadings, reliability coefficients, and average variance extracted (AVE).

Reliability

The reliability of each multi-item factor is evaluated through Cronbach's alpha. In other words, Cronbach's Alpha was computed to ensure internal consistency of items after cultural adaptation, as reliability can vary across samples and settings.

Cronbach's alpha value should be greater than .7 (Nunnally, 1978). In this study, the Cronbach's alpha value is more significant than .70 for each of the four factors. Reliability analysis shows that the internal consistency of multi-item measures is relatively high.

Validity

Discriminant validity is assessed through AVE scores. Discriminant validity shows that one factor is different from any other factor. The AVE value should exceed .50 (Hair et al., 2010). AVE values in this study are shown in Table 5.

Table 4. Factor Analysis of Independent Variables with Varimax Rotation (Extraction Method: Principal Component Analysis).

Variables	Face-saving	Reciprocity	Relationship	Intention
USA				
Face 1	.734			
Face 2	.816			
Face 3	.664			
Recp 1		.817		
Recp 2		.773		
Recp 3		.759		
Recp 4		.663		
Rela 1			.772	
Rela 2			.700	
Rela 3			.691	
Rela 4			.810	
Rela 5			.857	
Rela 6			.609	
Int 1				.780
Int 2				.636
Cronbach alpha	.783	.841	.880	.670
Bangladesh				
Face 1	.785			
Face 2	.770			
Face 3	.772			
Face 4	.747			
Recp 1		.749		
Recp 2		.856		
Recp 3		.586		
Recp 4		.615		
Rela 1			.737	
Rela 2			.702	
Rela 3			.705	
Rela 4			.913	
Rela 5			.800	
Rela 6			.723	
Int 1				.791
Int 2				.738
Cronbach alpha	.852	.799	.871	.738
Vietnam				
Face 1	.573			
Face 2	.638			
Face 3	.810			
Face 4	.589			
Recp 1		.773		
Recp 3		.800		
Recp 4		.830		

(Table 4 continued)

(Table 4 continued)

Variables	Face-saving	Reciprocity	Relationship	Intention
Vietnam				
Rela 1			.717	
Rela 2			.739	
Rela 3			.727	
Rela 4			.827	
Rela 5			.816	
Rela 6			.557	
Int 1				.804
Int 2				.873
Cronbach alpha	.751	.843	.875	.826

Table 5. Correlation Results.

Variables	Face-saving	Reciprocity	Relationship	Intention
Bangladesh				
Face-saving (4)	.767			
Reciprocity (3)	.191	.709		
Relationship (6)	.093	−.159	.760	
Intention (2)	.1341	.448	−.065	.765
USA				
Face-saving (3)	.741			
Reciprocity (4)	−.272	.755		
Relationship (6)	.270**	−.219	.744	
Intention (2)	−.310	.536	−.289**	.709
Vietnam				
Face-saving (4)	.659			
Reciprocity (3)	.071	.801		
Relationship (7)	.216**	−.002	.736	
Intention (2)	.066	.263**	.112	.839

Notes: Figures in italics represent the square root of AVE.
Figures in parentheses indicate the number of items measuring each construct.
$p \leq .05$.
**Correlation is significant at the .05 level (2-tailed).

Regression Analysis

Table 6 presents the detailed results of the multiple regression analysis across Bangladesh, the USA, and Vietnam. Reciprocity is the only consistent and significant predictor of customer intention in all three countries. Face-saving negatively predicts intention only in the USA, while relationships shows no significant influence in any country. Multiple regression analysis was used to test the impact of three facets on customers' behavioral intention. Statistical results derived from the collected data from all three countries show that the entire model is significant, as shown by the overall F-statistic ($p \leq .05$). The regression model

Table 6. Multiple Regression Results (Dependent Variable: Intention).

Variables	Unstandardized Coefficients	Standard Error	Standardized Coefficients	t-value	Sig (p < .05)
Bangladesh					
Constant	3.962	1.201	3.298	.002	
Face-saving	.017	.049	.041	.345	.731
Reciprocity	.218	.063	.411	3.462	.001
Relationship	−.001	.037	-.003	-.023	.982

Notes: $F_{3, 62} = 4.413$; $p \leq .05$; Adj $R^2 = .136$

Variables	Unstandardized Coefficients	Standard Error	Standardized Coefficients	t-value	Sig (p < .05)
USA					
Constant	5.515	.985	5.599	.000	
Face-saving	-.121	.059	−.165	−2.058	.042
Reciprocity	.254	.044	.458	5.703	.000
Relationship	−.057	.031	−.145	−1.833	.069

Notes: $F_{3, 114} = 19.238$; $p \leq .05$; Adj $R^2 = .319$

Variables	Unstandardized Coefficients	Standard Error	Standardized Coefficients	t-value	Sig (p < .05)
Vietnam					
Constant	5.272	.913	5.774	.000	
Face-saving	.011	.044	.024	.241	.810
Reciprocity	.164	.062	.254	2.624	.010
Relationship	.036	.034	.106	1.074	.285

Notes: $F_{3, 99} = 2.791$; $p \leq .05$; Adj $R^2 = .050$

shows that the independent variables explain 13.6%, 31.9%, and 5% of the variation of the dependent variable, intention, as shown in the R^2 value in Bangladesh, USA, and Vietnam, respectively. Multiple regression result shows that reciprocity has the most substantial positive impact on customer intention in all three countries shown [β (USA) = .458; β (Bangladesh) = .411; β (Vietnam) = .254]. Using data from the USA shows that face-saving has a negative impact on consumer intention ($\beta = -.165$; $p \leq .05$). However, we failed to find statistical significance of the relationship between face-saving and customer intention in Vietnam and Bangladesh ($\beta = .041$; $p \geq .05$ and $\beta = .024$; $p \geq .05$, respectively). Though weak, the relationship has a negative impact on consumer intention ($\beta = -.145$; $p < .10$) in the USA. The data collected from the USA shows that the relationship negatively impacts consumer intention. However, the independent variable, relationship, does not statistically support the dependent variable, intention, in both Bangladesh and Vietnam ($\beta = -.003$; $p \geq .05$ and $\beta = .106$; $p \geq .05$, respectively).

Discussion

We tested a model of customers' behavioral intentions with the data collected from the USA, Bangladesh, and Vietnam. The statistical results indicate that the

model explains customers' intentions well. Findings suggest that a customer's intention is predicted by three significant variables: face-saving, reciprocity, and relationship. Therefore, managers should focus on these three critical predictors to instigate customers to purchase (Ding et al., 2017; Mende et al., 2013; Zhao & Zhang, 2020).

The standardized regression coefficients show that reciprocity is the most critical variable influencing customer intention in all three countries. Reciprocity has a more substantial positive influence on customer intention in the USA than in Vietnam and Bangladesh [β (USA) = .458; β (Bangladesh) = .411; β (Vietnam) = .254]. This finding is consistent with the study of Davies et al. (1995), which suggests that reciprocity is a universal norm influencing customer intention across cultures.

Face-saving has a negative influence on customers' intentions in the USA. This finding is consistent with the study of O'Malley and Tynan (2000), which suggests that face-saving is not a significant predictor of customer intention in Western cultures. However, in Asian cultures, face-saving is an essential predictor of customer intention (Siu et al., 2016; Wei & Sung, 2017). This finding suggests managers should be cautious when using face-saving strategies in Western cultures.

The relationship has a weak negative influence on customers' intentions in the USA. This finding is consistent with Li et al.'s (2008) study, which suggests that relationship is not a significant predictor of customer intention in Western cultures. However, in Asian cultures, relationship is an essential predictor of customers' intention. This finding suggests that managers should focus on building solid relationships with customers in Asian cultures.

Conclusion

In conclusion, this study provides insights into the predictors of customer intention in different cultures. The findings suggest that managers should focus on reciprocity, face-saving, and relationship to influence customers' intentions. The study also highlights the importance of understanding cultural differences when designing marketing strategies.

Theoretical and Managerial Implications

Understanding Quan He is essential for fostering business relationships in Vietnam, especially for Western entrepreneurs entering the Vietnamese market. This study stands as the inaugural comprehensive analysis of Quan He, offering these notable contributions:

1. Defining Quan He: Our research bridges the concepts of Chinese Guanxi and Western RM to define Quan He within the Vietnamese socio-economic landscape. We identified its three integral facets: The Dien (face-saving), Co Qua Co Lai (reciprocity), and Tinh Cam (affection).

2. Classifying Quan He: We delved into the advantages and disadvantages of the three facets of Quan He. This will expand the current knowledge in the fields of Guanxi and RM, offering insights into how and when to employ specific types of Quan He, depending on the business context.

3. Quan He in Asian Contexts: Since the rise of Guanxi studies initiated by Xin and Pearce (1996), its applicability in other Asian nations like Malaysia, Thailand, and Singapore has been explored. However, given that each nation's unique socio-political-economic backdrop shapes relationship-building, our study emphasizes Quan He is distinct role in Vietnam's dual-ideology economy.

4. Practical Guidelines for Western Businesses: Grasping the nuances of Quan He is pivotal for Western companies targeting the Vietnamese market. We provide actionable insights into managing the subtleties of The Dien, Co Qua Co Lai, and Tinh Cam to foster trust and enhance relationships with local entities. Given Vietnam's burgeoning economic potential, our guide illuminates the path for foreign investors looking to harmonize with local business practices.

In short, this exploratory study contributes by offering (a) a new construct, *Quan He*, that bridges Eastern and Western relationship paradigms; (b) a validated measurement model of its three facets; and (c) actionable insights for multinational firms entering Vietnam.

Limitations and Future Research

While this study offers a pioneering perspective on Quan He, it is not without its constraints. The data were collected from one university in each country, which limits generalizability. However, this exploratory study provides foundational insights for future research with broader, more representative samples.

We have pinpointed the commonalities and distinctions between Quan He, Guanxi, and RM. The tri-faceted nature of Quan He was explored in detail and compared with corresponding facets in Guanxi.

Our empirical evaluation compared the effects of these facets on consumer intent in Bangladesh (Eastern) and the USA (Western). However, the results from these two countries might be different. Future studies might consider other influencing elements like purchasing power or broaden the product scope beyond cosmetics. We advocate for expanding this model into diverse cultural landscapes to validate its generalizability.

Declaration of Conflicting Interests

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Note

1. A shorter version of this paper was previously published in the Midwest Law Journal of the Academy of Legal Studies in Business (2024 Conference Proceedings) under the title "Three Facets of Quan-He (Vietnam) and Guanxi (China) Define Relationship Marketing in Asian Markets." This revised manuscript includes updated framing, an international business application, and expanded managerial implications.

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