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Topical Issues of Linguistics and Teaching Methods in Business and Professional Communication

# FEATURES OF BUSINESS COMMUNICATIONS BETWEEN ITALY AND RUSSIA

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# Abstract

The article notes the importance of business communications in the development of modern business relations between Italy and Russia. As a practical case, the activity of the Italy-Eurasia Chamber of Commerce and Industry is considered, which is a kind of bridge between the two countries, uniting not only business, but also the economy, culture, language, etc. The author stresses that multilateral and bilateral dialogue between Asian and European countries has increasingly focused on strengthening the interconnection between the two continents and on improving interregional networks, in order to realize all the potential that could derive from a very high level of exchange and cooperation. The potential of Eurasian Economic Union is highlighted. Not less important is to implement two-way cultural projects where people can get to know each other and share their feelings and self-expression, whether it be events with an emphasis on art, music, dance, literature or traditional cuisine.

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## 1. Introduction

This article aims to analyze the features of business communication based on the activities of the Chamber of Commerce and Industry "Italy-Eurasia". The idea of creating a new Chamber of Commerce and Industry was born in 1995. In order for companies to cooperate and enter foreign markets, effective support methods and communication tools are needed. In today's globalized world, it is impossible to remain within the framework of just one country.

The Italy-Eurasia Chamber of Commerce, created in 2015, aims to build a bridge between Italy and the Eurasian space, including not only the countries that are members of the Eurasian Economic Union, but also all the countries that were part of the former Soviet Union, and then and member countries of the Shanghai Cooperation Organization, which includes Russia.

In Russia, as in many countries of the Eurasian space, the companies are large, in contrast to Italy. Small and medium-sized Italian entrepreneurs hardly have the strength to interact with large Russian groups alone. It is important to implement two-way cultural projects where people can get to know each other and share their feelings and self-expression, whether it be events with an emphasis on art, music, dance, literature or traditional cuisine (Benoist & Dugin, 2022; Beretta & Pissavino, 2013).

The Covid-19 pandemic has greatly complicated travel and, as a result, the organization of conferences, business missions and participation in international exhibitions. What contributed to the fact that B2B meetings began to be held using telematic platforms. The available means of communication make it possible to overcome long distances in real time in contacts. Even the most remote places can be reached quickly, and goods can be delivered over long geographical distances in a short time thanks to integrated international transportation systems.

The use of modern technologies allows us to provide effective business communications between representatives of Russia and Italy.

## 2. Problem Statement

#### 2.1. The importance of Culture and Tourism in the Italian Chamber of Commerce in Russia

The enhancement of cultural heritage, as well as the development and promotion of tourism, has been introduced among the new mandatory competences of the Chambers of Commerce. In these areas, for example, the Italian Chamber of Commerce, working in collaboration with the other competent subjects, carries out various activities. The importance of tourism and culture in Italy as it is one of the best country of UNESCO heritage for its extraordinary historical monuments and a tourist destination among the most appreciated by Russians and foreigners, has undoubted relevance also with regard to the effects on the world entrepreneurial (Kaznacheeva, 2010; Rubtcova & Pavenkov, 2019).

#### 3. Research Questions

The article considers the following research questions.

i. What are the specific features of business communications in Russia?

- ii. How has the pandemic influenced business communications between representatives of Russia and Italy?
- iii. How can two-way cultural projects improve business communications?
- iv. What are the specific features of business communications in Russia?

#### 4. Purpose of the Study

This article aims to analyze the features of business communication based on the activities of the Chamber of Commerce and Industry "Italy-Eurasia".

#### 5. Research Methods

The IRE - Economic Research Institute of the Italian Chambers of Commerce carried out a study on the economic importance of Italian culture. This study analyzes the importance of culture in Italy, taking into account two aspects: on the one hand, offering an overview of the Italian cultural and creative production system, and on the other, deepening the effects on the local economy of the public cultural expenditure of the Autonomous Provinces of Italy. The cultural production system as a significant component With an added value of 1.05 billion euros and 16,677 employees in 2019, the cultural and creative production system represents an important component of the local economy, which generates about 5% of the total added value (4.6%) and of employment (5.6%) in Italy. Effects of public cultural spending The public cultural expenditure of the Autonomous Italian towns, i.e. the expenses of the three cultural divisions of the provincial administration and of the offices they employ, of the museum sector as well as of the cultural organizations financially supported by the Autonomous town administrations has averaged over the years since 2016 in 2018, € 147.7 million per year. These loans can be attributed on average 161.2 million euros per year of gross value added in Italy. In addition to the "arts, entertainment and entertainment" sector (effect on added value equal to 48.0 million euros per year), real estate activities (20.6 million euros) take advantage of public spending, professional, scientific and technical activities (16.5 million euros), trade (15.6 million euros) and public administration (Alfonsi, 2017). In addition, an employment effect of 1,552 full-time work units per year can also be determined. The employment effect is equally distributed in both sexes and involves all levels of education. This means that not only those with a university education, but people of all levels of education or training benefit from public cultural expenditure.

#### 6. Findings

# 6.1. Ten things that, as an entrepreneur, continue to amaze me about Russia and the Russians after twenty years

The President of the Italian-Russian Chamber of Commerce explains the main differences in business mentality between the two countries Russia is a country that has not ceased to amaze me for over twenty years. Abroad, many mistakenly believe that his lifestyle is in all respects similar to that of

Europe. But this is far from true. Let me give you an example of 10 things that particularly amaze foreigners visiting the Russian Federation.

#### 6.2. Fierce competition among staff

Employees who hold the same position in the same company for decades are common in Europe. The team usually does not experience internal competition, and often the increase in salaries depends only on the top managers, whom the staff never see. Everything is different in Russia. Professional advancement and income level are determined by the way in which a person has built relationships with their direct superior. The growth of a specialist often comes at the expense of others. You must be flexible and be able to negotiate, first within the company and then outside it.

#### 6.3. A special love for innovation

In the Russian Federation, people easily accept innovations and quickly adapt to them. If in Italy a citizen without broadband internet or without a mobile smartphone may still not surprise today, in Russia the most advanced technological gadgets may perhaps be lacking only for the elderly inhabitants of the most remote provinces. Public institutions continually introduce technological innovations to make life easier for the population. A great example is the traffic control system. Moscow is the world leader in the number of cameras installed to monitor the streets of the city. This technological trend dates back to the Soviet era. I remember when I was in school, the teachers told us that there were special garbage ducts in the multi-storey apartment blocks of the then Soviet Union. It was a shock for us in Italy to learn that somewhere in the world there were houses where it was not necessary to go out on the street to throw out the garbage.

#### 6.4. It takes hard work to earn a person's trust

The Russians have a difficult character, more emotional than rational. They do not hesitate to openly express negative emotions and judgments, which sometimes puts foreign interlocutors in great difficulty. Interpersonal relationships in this country must be built in stages. The culminating moment in which we can say that a person is completely open to us is when he will be able to express all moods, even the most negative ones. If he doesn't talk to you about his own issues, it's too early to talk about total trust.

#### 6.5. Excessive luxury scares people

Beauty, in the subconscious of most Russians, is synonymous with high prices. And the more a person lives away from the capital and its hectic pace, the more he avoids luxurious things. This particularity must be taken into consideration when starting a business in this country.

#### 6.6. If you don't network and study the language, you kill your business

You can be a great professional, have a lot of money and opportunities, but it is not easy to develop your business without well-built business and personal relationships in the Russian Federation. Of course, not knowing the language becomes a huge barrier. 89% of international companies consider the problem of mutual understanding to be of fundamental importance when concluding agreements on the Russian market. We always send our interns to regional branches (fewer Russians speak English far from the capital) so that they can learn the language. Only after receiving this knowledge, will they really be able to understand the character and intentions of the Russians and, in the future, competently build relationships with them.

#### 6.7. Bureaucracy and strict compliance with regulations

Registering a business in Russia is not easy. The procedure itself takes about a month on average. Here the legislation is very different from the Western one. Interaction with the supervisory authorities and registration of permits can be a major obstacle. For example, many Italian restaurateurs have encountered this problem when opening a restaurant in a historic building in central Moscow. The fire regulations are very strict and therefore many restaurants have had to abandon the idea of the classic wood oven and opt for the modern electric oven. Therefore, in order to avoid risks (especially in the early stages), foreigners should contact companies that specialize in providing legal and accounting services.

Corporate performance in Russia directly depends on how relationships are built with customers. Russians tend to trust each other, which is why recommendations on social networks have become the most effective form of advertising today. In 9 out of 10 cases, reviews are key when placing orders online. In addition, most buyers listen to the opinion of friends, experts and people with experience in using a particular product, rather than the words of a star called to advertise, or the information of sellers and brand representatives. During the Covid-19 pandemic, a flexible approach to product promotion has helped many companies avoid major losses. According to a survey of over 400 companies from the Italian-Russian Chamber of Commerce, 37.5% of Italian companies have relied on digital marketing to stay in touch with customers and 45.8% have started conducting events in online.

The importance of development plans. Surprisingly, when opening a business in Russia, it is necessary to take into account the development plans of the institutions.

For some years now, one of the federal government's priority objectives has been to stimulate the growth of SMEs which aim to reach 40% by 2025, as well as to increase the number of people employed by small and medium-sized enterprises from 19 to 25 million. It should be noted that in Russia, unlike Europe or other countries, it is easier to build a small business and there are many incentives to support new business ventures.

# 6.8. The events of the 1990s in Russia have shown that anyone who is ready to stake practically everything they have can win

In the West, family businesses are often handed down from generation to generation, and family traditions and experience are honored. Europeans don't like to take risks and prefer a small but stable

income. Russian businessmen are distinguished by their thirst for maximum income: either all or nothing. At the same time, they are highly motivated to acquire new knowledge in various fields of activity. When he opens a business, a Russian is already thinking about how to make it grow. While, for example, an Italian will invest in something and think of everything down to the smallest detail, but without wanting to take the longest step immediately. This piece is part of the new column "Doing business in Russia", created in collaboration with the Italian-Russian Chamber of Commerce and signed by the president of the CCIR, Vincenzo Trani. Every two weeks we will analyze a specific aspect of bilateral business through interviews, direct experiences, analyzes and insights. The column is intended as a tool to better understand the horizon of Italian-Russian investments, a compass to guide and inspire those entrepreneurs who are still ready to bet on the largest country in the world.

In recent years, multilateral and bilateral dialogue between Asian and European countries has increasingly focused on strengthening the interconnection between the two continents and on improving interregional networks, in order to realize all the potential that could derive from a very high level of exchange and cooperation. Covering more than 60 countries, 60% of the world population, 75% of energy resources and 30% of world GDP, countries in Asia and Europe are showing a growing interest in bridging the gap between the two continents, in so that a possible single market, unprecedented in terms of size and diversity, can act as one of the main drivers for regional and global growth. Recalling the ancient Silk Road, this vision aims to overcome the geographical distances between the two continents in an evercloser cooperation from an economic point of view, as well as with regard to exchanges between people, the renewal of multi-traffic infrastructures. modal and the implementation of so-called cyber highways. Such efforts will not only allow for a more efficient flow of assets and goods, but will also contribute to greater economic growth, as well as fostering closer ties between countries. In 2013, South Korea launched the "Eurasia Initiative", a policy proposal for the improvement and expansion of transregional cooperation in transport, logistics, energy and "Creative Economy", in order to encourage different regional actors to work together to ensure common peace and prosperity. This report focuses on the feasibility and effects of the South Korean proposal, especially with reference to the potential positive effects on bilateral relations between the Republic of Korea (South Korea) and Italy.

#### 7. Conclusion

# 7.1. Russia as the main part of Eurasia. The Eurasian Economic Union between crisis and integration into the world economy

In 2015, the member states of the Eurasian Economic Union (UEE), in particular Russia and Kazakhstan, continued to suffer from the collapse in oil prices and the devaluation of their respective currencies, with a consequent worsening of the current situation and future growth prospects (Benaroya, 2007; Caselli, 2013). The deterioration of economic conditions has inevitably also had repercussions on the Eurasian integration process. The implementation of the single market has not so far generated that driving force that many expected and the increasingly recurring question is that relating to the real economic benefits associated with it (Dallocchio, 2014; Dallocchio, 2013, Giaccio, 2022). The growth of trade between member countries was in fact recorded only in the phase following the creation of the

Customs Union in 2010. The significant expansion between January 2010 and the same month of the following year was followed, in 2012, by a net decrease in trade growth and a setback starting from 2013. The share of trade within the Eurasian Economic Union area has drastically decreased. According to data from the Eurasian Economic Commission - an institutional body of the UEE - for the entire area of the Common Economic Area and the Customs Union (the three founding states plus Armenia) in the period January-April 2015, the collapse of exports and of imports was respectively 31.6% and 38.6% compared to the same period of 2014. Trade with third countries also recorded a decline in imports and a stable level of exports. Another critical element is given by the fact that the implementation of a common market is still marking time, consequently delaying the progress of the entire project. To give an example, the creation of a single market for oil and gas has been scheduled for 2025, while that of electricity should materialize from 2019. To this must also be added a series of disputes and disputes, especially in the agricultural and food, in a climate in which member countries seem more inclined to protect their internal markets. For a more rapid strengthening of integration a lot will depend on what direction the new Union will be given. Much has been written and said, in fact, about the two different visions of the future of the UEE present among the Member States. On the one hand, Russia, with its desire for a deeper recomposition of the post-Soviet space, to remove it from Western and Chinese aims. On the other hand, the remaining countries - Kazakhstan in the lead - opposed to transforming the Union into a political entity and more inclined to pursue the principle of "economic pragmatism", in order to defend their autonomy. Beyond all the political speculations, the key to future success for UEE could lie precisely in the advancement of economic integration and its opening to third country markets. With reference to this particular aspect, 2015 was characterized not only by the entry into force of the Union, but also by its enlargement and by new, positive prospects in terms of economic partnerships. First of all, the entry of a new member, Kyrgyzstan, which has brought the number of countries joining the UEE to five. But if the entry of the Central Asian country is perhaps to be reported more for its political than economic value, the hypotheses of new agreements with non-post-Soviet countries must be considered in a different light. On May 29, Vietnam became the first state to sign a free trade agreement with the EAEU, an agreement which should allow the doubling of trade between the parties. But not only. In recent months, the number of countries that have expressed their willingness to conclude economic agreements with the new economic entity has grown. In November, Singapore concluded some bilateral agreements with Russia, including an agreement on the start of talks for the creation of a free trade area with the EAEU. Great interest was also shown from India. New Delhi in June signed a framework agreement for the establishment of a working group that should lead to the conclusion of a more articulated agreement for free trade with UEE countries. A working group for economic cooperation has also been entered into by Mongolia. Israel has instead declared its interest in a real free trade agreement, as have Pakistan, China, Egypt and other countries, including Iran, a country that has already signed an agreement for the exchange of information with the ESA.

The attention that the Eurasian Economic Union is receiving even outside the post-Soviet space demonstrates how broad its potential for attraction is. Even if the "loss" of Ukraine has deprived the UEE of a part considered fundamental on the EU side.

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