
Dr. Cal Boardman discusses alternative bid-ask processes, traditional barter practices, and the role of trust and disclosure in building trading relationships cross-culturally. Boardman uses simple examples, like selling your used car, to convey abstract concepts and their impacts on relationships. Boardman suggests there is contemporary relevance for historical American Indian trading practices.

General Discussion Questions

Time: 20-30 minutes

Materials: Internet research or a copy of the Wikipedia entry below.

Physical Setting: Classroom

Group Size: Any size; break very large groups into subgroups with a summarizing large group discussion at the end.

1. Explain the differences between the two types of bid-ask transactions Boardman discusses in this section: “ask-high/bid-low” and “ask-low/bid high.”

2. Have you personally ever had the experience of selling something for which you asked a low price, and your potential buyer offered a higher price? Have you ever bought something that you insisted that you wanted to pay more than the asking price? Explain what happened, and explain the relationship between you and the buyer or seller in your example. (Hint: Recall Boardman’s example of selling a car to a close family member, or selling or buying anything where the other party is a very close friend.)

3. Have you personally ever had an experience, as either buyer or seller, where the other party was extremely honest, and disclosed much more information than “normal” and without you asking for it (especially negative features of the product)? How did this affect your transaction? How did this affect your relationship with that other person with whom you were attempting a transaction?

4. Have you ever traded goods and/or services instead of paying cash? Tell your story of what happened. Were you happy with the outcome? What was the impact of this trade on your relationship with your trading partner?

5. Can you think of any other situations where these tribal practices of trust, disclosure, and barter might improve the process, and improve the relationships between the partners to the negotiations (the buyers and sellers)?
Activity: Buffalo Exchange Case Example

After watching the film clip (13:27) with Dr. Boardman, read the brief example of the Buffalo Exchange business (which had, and may still have, a branch in Albuquerque), taken from Wikipedia in 2013. Then answer the questions below.

Time: 20-30 minutes

Materials: Internet research or a copy of the Wikipedia entry below.

Physical Setting: Classroom

Group Size: Any size; break very large groups into subgroups with a summarizing large group discussion at the end.

Downloaded from Wikipedia Monday, July 15, 2013, 4 pm at http://en.wikipedia.org/wiki/Buffalo_Exchange

Buffalo Exchange is a privately owned, family-operated fashion resale retailer that buys and resells used clothing. The company has 45 stores in 17 states across the US and is headquartered in Tucson, Arizona where Kerstin Block opened her first store in 1974. Customers can buy used apparel as well as trade in their own used clothes. The value of a trade in is calculated by a trained buyer, and then the customer can receive a percentage of that value in cash or store credit.

Buffalo Exchange was founded with the idea of sustainability in mind, and has continued to maintain that tradition throughout their expansion. An example of this is the "Tokens for Bags" charity tokens. Customers may opt to receive small cardboard tokens in place of a bag for their purchase. There is a line of boxes along the wall with the names of local and national charities written on them for the customers to put the tokens into. Each token is worth a five-cent donation from Buffalo Exchange to the customers' charity of choice. Management has been known to contribute their time to said local charities.

In November, 2012, Buffalo Exchange announced that they are discontinuing the use of all plastic bags. The move to “bag-less” is a logical next step, said Kerstin Block, President and Founder of Buffalo Exchange. “The large majority of our customers will understand that this is a move that is being made in the interest of our environment and that it is intended to begin changing the way we think about how we use disposable products in our everyday lives.” The move is expected to keep approximate 350,000 disposable plastic bags out of the landfill every year.

Discussion Questions:

1. How does barter, as a process described by Boardman, promote the Tribal Wisdom principles of non-acquisitiveness (not-greedy-ness) and usefulness?

2. In what ways might the Buffalo Exchange business encourage non-acquisitiveness and usefulness as values in their customers?

3. In what ways might the Buffalo Exchange business encourage the Tribal Wisdom principles of “gifting” and giving back to the community?

4. Would shopping at Buffalo Exchange appeal to you personally? Why or why not?

5. Do you see any other current-day applications for the traditional practices described by Boardman regarding trust, disclosure, and barter to promote more ethical conduct of businesses today? Explain.
Activity: Role-play of the bid-ask process in high-trust-cultures and low-trust-cultures

Topic: Barter, Trust, and Disclosure

Materials: None

Group Size: any size, broken into groups of 2-5 persons, with the total groups a multiple of 4
   (i.e., 4 groups of 2, 3, 4, or 5 persons; if more than 20, then 8 groups of 2, 3, 4, or 5;
   Groups do NOT need to be even in size, you might have 4 groups of 2, 2, 2, 4, and 4.)

Physical Space Required: Classroom/meeting space large enough for students to break into groups, which are somewhat separated from other groups, with room to move between groups.

Total time: About 30-40 minutes, depending on the number of groups.

Part A: Planning a Barter/Trade  10 minutes
Your instructor will assign one of 4 roles to role to each group, as follows:
   1. Sellers from a high trust culture
   2. Sellers from a low trust culture
   3. Buyers from a high trust culture
   4. Buyers from a low trust culture

Each SELLERS team will decide a year, make, model, condition, and other details about a car they will offer for sale in the $5,000 to $10,000 range. Hint: If you use a specific car that someone owns, you will be more readily able to create the details of the vehicle’s condition and history. The group will choose a specific chair to represent the vehicle for sale. As a group, brainstorm what strategy to use based on coming from a high or low trust culture. Discuss what “facts” you will hide or reveal, how “honest” you will be, what information you would reveal only if asked specifically, and what information you will never reveal. IMPORTANT: Your strategy should reflect the characteristics of your assigned culture: high-trust or low-trust. Finally, designate just ONE person from your group to engage in the role play.

Each BUYERS team will have $5,000 to $10,000 to spend on purchasing a car. The group should decide how much they prefer to spend, as a % of the asking price (i.e., 10% above the asking price, 20% below the price, exactly the asking price) or use absolute dollar amounts, such as +/- $1000. Take into account the condition of the car and expected expenses for repairs and maintenance, gas mileage, etc. Discuss what questions you will ask, what criteria you will use to decide whether to pay more or less money, etc. IMPORTANT: Your strategy should reflect the characteristics of your assigned culture: high-trust or low-trust. Finally, designate just ONE person from your group to engage in the role play.

Part B: The Transaction 3 minutes; repeated twice if 4 groups; repeated 4 times for 8 groups.
Total time: 6-12 minutes
The SELLERS groups will remain stationary around their designated chair “vehicles.”

Part C: Discuss Within your Group. Discuss what happened with the role-play car sales.

Part D: (Optional) Written Reflection (5 minutes)
Take 5 minutes to write a short reflection based on the activity, answering the following question:
   1. How did you feel about the role assigned to your group (comfortable, happy, annoyed, tense, etc.)? Why?
   2. How did you feel towards the character played by the other groups? With which role-play sales of the imaginary car were you most satisfied? Least satisfied? Why?
   3. In which kind of culture (high or low trust) do you usually operate? Which kind do you prefer? Why?

Part E: Large Group Discussion Discusss answers to the questions in Part D (above) with the whole group.