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Moral categorization of opportunists
in cross-border interfirm relationships

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Compliance with Ethical Standards
- Authors declare that they do **not have conflict of interest**.
- **Ethical approval:** All procedures performed in this study were in accordance with the ethical standards of the University of Ljubljana, ESCE International Business School and with the 1964 Helsinki declaration and its later amendments.
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Abstract

This study draws on theory of dyadic morality and categorization to disentangle opportunistic behaviors from the perception by their victim that leads to the moral categorization of the perpetrator as an opportunist. We show that it is this moral categorization, not the behaviors, that determines the trust beliefs of the victim. Further, the effect of psychic distance on the process of perpetrator moral categorization as an opportunist depends on the form of opportunistic behaviors. Finally, this study questions the cultural universality of opportunism by showing that effects of opportunistic behaviors on categorization vary across national cultures—based on data sets of French and Slovene exporters.

INTRODUCTION

While the thrust of literature has focused on the development and improvement of positive aspects of interfirm relationships (e.g., cooperation), it has been understood that unfavorable perceptions, attitudes, and behaviors can effectively halt relationship development (Anderson & Jap, 2005; Villena et al., 2011). The psychological effects of bad events outweigh those of good ones (Baumeister et al., 2001). Thus, scholars have found that practitioners require insights into how to successfully manage interfirm relationships through the inevitable times of behavioral turbulence. This has led to growing work on the phenomenon termed the 'dark-side' of the relationship (e.g., Forkmann et al., 2022; Glavee-Geo et al., 2022; Mikami & Bird, 2022; Sinkovics et al., 2021) that further increased scholarly interest in opportunism. Opportunism, defined in early transaction cost economics (TCE) work as "self-interest seeking with guile" (Williamson, 1991, p.97; Williamson, 1985), has been labeled the darkest form of dark-side behavior (Crosno & Dahlstrom, 2008; Yang & Wang, 2013). In the context of interfirm relationships, opportunism refers to "explicit or implicit violations of contracts" between two parties (Verbeke et al., 2019, p.1288). It is especially irritating and intolerable for the victim as it breaches 'normative ethical standards' established in the contractual or relational agreement (Arikan, 2020). Such standards underpin the continuation of the interfirm relationship and the cooperation therein (Abosag et al., 2016). The dangers of selfish violations of normative standards are acute in cross-border partnerships, given the psychic distance and ambiguities that exist between partners from different countries (Leonidou et al., 2017).

Despite scholarly interest in opportunism's functioning and outcomes, gaps in the literature persist. First, while scholars agree a firm's opportunism can manifest in different forms of behavior—such as deception, shirking, forced renegotiation, and refusal to adapt (Wathne &

Heide, 2000)—assessments of these forms of opportunism have not kept pace. Habitually, opportunistic behaviors are operationalized as unidimensional and only a few studies (Lumineau & Quélin, 2012; Luo, 2006; Wathne & Heide, 2000) scrutinized more and less blatant forms of opportunistic behaviors. In particular, cross-border exporter–importer studies have yet to examine the aftermath of different forms of opportunism (see Table 1).

Second, Lumineau and Oliveira (2020) contend that prior work has overlooked that different forms of opportunism have different origins and consequences and, thus, could be 'perceived differently by the victim'.[2] Yet, the traditional TCE view is that opportunism and its consequences are universal phenomena. This view ignores the idea that the victim evaluates opportunistic behaviors based on their own perceptions and past experiences of the harm that a particular opportunistic behavior might cause, which shapes their morality assessment of the perpetrator that engaged in the opportunistic behavior. The process by which people (e.g., export managers) give meaning to their experiences by interpreting reality through connecting cues, is termed categorization (Maitlis & Sonenshein, 2010).

Third, categorization is nested in cultural and social practices (Maitlis & Sonenshein, 2010) and shaped by national cultures (Hogg, 2001) with different ethical solutions to the challenges of opportunism (Romar, 2004). Categorization is embedded in norms of the social group of the victim, but also is contingent on the ambiguity that comes from the psychic distance and the differences that exist between the national cultures of the perpetrator and victim. It is conceivable that the aftermath of different opportunism behaviors is shaped to a greater or lesser extent by such cultural conditions (Li, 2008; Lumineau & Oliveira, 2020).

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[2] We use the terminology victim and perpetrator to refer to victim and perpetrator firms. The unit of analysis in the present study is the interfirm level. Indeed, in research on exporter–importer partnerships, it is standard practice to use an individual executive to represent the decision-making unit or upper echelons of their firm in commenting on the opportunism of the partner firm. In many cases, only one executive in an exporting firm is responsible for a particular import relationship.

This study addresses the aforementioned gaps by seeking to explain how different opportunistic behaviors that are relevant to exporter–importer relationships—deception, shirking, forced renegotiation, and refusal to adapt—lead to integration (i.e., trust) consequences through a process of moral categorization (Lumineau and Oliveira, 2020; Schein and Gray, 2018), which is shaped by national culture and psychic distance. We argue that the contemporary dynamic approach to categorization (Barsalou, 2017; Barrett et al., 2014) together with the theory of dyadic morality (Schein & Gray, 2018), provide relevant theoretical underpinnings for disentangling the complexity of the process used by the victim to morally classify the perpetrator based on their opportunistic behavior.

The intended contribution is threefold. First, against the backdrop of previous work on cross-border interfirm relationships treating opportunism as a unidimensional construct, we provide new insights into the distinct effects of multiple opportunistic behaviors (Wathne & Heide, 2000). Second, we contribute to the ethics and international interfirm relationships literatures by distinguishing opportunistic behaviors from the subsequent categorization, based on a discernment of the perpetrator as an opportunist. To date, only the behavior of the perpetrator has been considered in the literature. Our study is novel in drawing on the theories of social categorization (Hogg, 2001) and dyadic morality (Schein & Gray, 2018) to explain the distinction between opportunistic behaviors and the moral categorization of the perpetrator, showing that it is the categorization that affects trust; by mediating relationships between all of the opportunistic behaviors and trust. Third, we respond to Lumineau and Oliveira's (2020) call for scholars to examine the cultural contingencies affecting opportunism by highlighting the roles of psychic distance and national culture in moderating the moral categorization process.

THEORETICAL BACKGROUND AND LITERATURE REVIEW

The base assumption of our theoretically driven conceptual model (see H1a-b, Figure 1) is that exporters give meaning to importer-side equivocal inputs and enact this meaning back into their relationship to make the relationship more orderly (Weick et al., 2005). Thus, our conceptual model follows processes of moral categorization that starts with the exporter 'noticing' importer opportunistic behaviors across the possible spectrum of these. It will bracket noticed behaviors for 'organizing through categorizing', based on an own-reference framework for how importers ought to behave (H1a[1-4]). By so doing an exporter will connect types of behavior (e.g., deception, shirking, forced renegotiation and refusal to adapt), in types of situations (e.g., the importing role), to types of actors (e.g., opportunistic importer) (Tsoukas & Chia, 2002). Because moral categories are socially defined, psychic distance (H2a,b) and culture (H3) will affect the exporter's sense of receiving equivocal inputs that need to be interpreted socially. As a result, the importer may or may not be categorized based on their behaviors as an opportunistic actor. The final step is 'organizing through integrating', wherein the exporter determines whether to integrate further with the importer and expose itself to vulnerability, through trust (H1b).

Insert Figure 1 here

Our conceptual model is underpinned by categorization theory and dyadic morality theory and is anchored in opportunism research, as explained in the following sections.

Categorization and dyadic morality

Categorization decisions are made by comparing examples with cognitive templates of categories (Rosch, 1978). These categories are synthetic constructions that combine its most

important, salient, and typical features. For example, the category 'opportunist' contains elements of opportunistic behavior, motives, narratives, and language. Categories can be viewed either as a single prototype (Rosch, 1978) or as a set of exemplars (Minda & Smith, 2002), but they always summarize its main features. Categories arise ad hoc or otherwise when they are needed. For example, if an exporter is looking for an importer to work with, they may describe the preferred characteristics of that partner. A firm that is intensively engaged in searching for importers will be able to form the category of preferred characteristics of the importer more easily because of the repetition and the developed ability that comes from the same process (Barsalou, 2003). Through repetition and practice, the categorization process becomes reliable and habitualized (McHugh et al., 2022). Categories have their stable and recurrent properties that are learned, and their identification or recognition becomes part of subsequent usage (McHugh et al., 2022). Repeated categorizations become so automatic and intuitive that they give the illusion of 'stable categories'. Therefore, the efficiency and effectiveness of the categorization process does not reside in the category itself, but on the previous experiences (Barsalou, 2017).

Stich (1993) was the first to direct categorization research toward the literature on morality. This gave rise to the theory of dyadic morality (Schein & Gray, 2018), which describes morality with reference to the broader literature on categories. It assumes the existence of 'two actors', with the perpetrator being categorized based on harm caused to the victim. Dyadic morality theory (Schein & Gray, 2018) explains that the human mind understands reality through prototypes, "abstractions that distill unifying and canonical features from individual examples" (Rosch, 1978, as in Gray et al., 2012, p. 207). Rather than explaining the process of moral evaluation, dyadic morality theory sees the 'foundations' of morality to be in taxonomic categories that denote different kinds of values, much as the 'genres' of cinematography denote

different kinds of movies. This theory suggests that people evaluate actions based on their own

perceptions of the harm that action could potentially cause based on their previous experience,

which triggers the classification of the action or actor into the morally colored categories.

Recently, McHugh et al. (2022) built on this theory by explaining that the basic process of moral

judgment is also based on moral categories. That is, when people encounter behavior that is

morally questionable, they assign the behavior or the actor of the behavior to the category that, in

our case, is morally questionable or opportunist. Each time a behavior whose moral value is

questionable occurs again, its actor is identified (either explicitly or implicitly) as a member of

that category. The repetition of this process reinforces the victim's ability to use that category.

The more frequently such categorizations are made, the more intuitive and automatic they

become (Barsalou, 2003; McHugh et al., 2022).

Building on categorization theory and dyadic morality theory, we argue that moral

categorization is a cognitive process activated by the exporter in response to morally relevant

situations such as importer opportunistic behavior. To understand this process, one should know

that moral relevance is idiographic and dynamic (Young & Dungan, 2012). That is, what is

considered moral can vary greatly from one exporter to another (cf. Graham et al., 2013) and

within the same exporter in different situations (cf. Van Bavel et al., 2012). Thus, moral

classification of the opportunism forms, deception, shirking, forced renegotiation, and refusal to

adapt, will also vary and yield different outcomes.

Opportunism Research

In line with our research focus, we scrutinized the available literature on the outcomes of

opportunism in exporter–importer relationships (Table 1). The identified empirical studies have

all conceptualized and operationalized opportunism as a unidimensional construct. Prima facie, this is disconcerting given that the broader opportunism literature has provided theoretical arguments and evidence linked to multiple forms of opportunism (Wathne & Heide, 2000). No studies examined how the victim's moral categorization of a partner as opportunistic provides a missing link to understanding the mechanism transmitting opportunistic behaviors' effects on the relationship. Leonidou et al. (2017) alone considered the perceptual aftermath of opportunism in the form of exporter-perceived betrayal, captured as perceived violations of mutual expectations. Betrayal contains an element of categorization of the importer (e.g., losing faith in the importer), but represents a broader construct linked to psychological contract breach. These authors do not formally distinguish opportunistic behavior from the victim's categorization of the perpetrator as an opportunist. While a few of the studies (e.g., Lee, 1998; Obadia et al., 2017) scrutinized links of cultural factors (e.g., cultural distance and sensitivity) to opportunism, none adopted a moderation approach that examined the cultural universality of opportunism effects. Finally, with the exception of Barnes et al. (2010), the studies assessed direct links to outcome constructs without explaining 'and' formally testing mediation mechanisms.

Insert Table 1 here

The nascent literature on different classes of opportunistic behavior has updated TCE with ideas about more and less blatant forms of opportunism that are related to relational-exchange considerations and outcomes that go beyond purely economic returns (see Wathne & Heide, 2000). A handful of empirical studies in the wider opportunism literature directly tapped strong-form (firm's contractual norm violation) versus weak-form (firm's relational norm violation) opportunism (Lumineau & Quélin, 2012; Zhao et al., 2022), or active (firm engages in particular

behaviors) versus passive (firm refrains from particular behaviors) opportunism (Seggie & Griffith, 2021). A few others captured specific forms of opportunism germane to the type of interfirm partnership studied—for example, shirking and poaching in outsourcing ties (Handley & Angst, 2015). Our study on opportunism outcomes follows such an approach in capturing deception, shirking, forced renegotiation, and refusal to adapt, which pre-study interviews revealed as important to the exporter–importer context.

We define these forms of opportunistic behaviors as follows: *deception* refers to an importer omitting or distorting information from the exporter as well as engaging in blatant lies; *shirking* refers to an importer not performing all the tasks that it should perform; *forced renegotiation* refers to an importer using unexpected events to initiate new negotiations on issues that already have been agreed upon; and *refusal to adapt* refers to an importer refusing to implement the necessary changes given new objective circumstances (Wathne & Heide, 2000; Williamson, 1985; Anderson & Weitz, 1986). While deception and shirking stem from the asymmetric information problem and, thus, constitute information-based opportunism, forced renegotiation and refusal to adapt often are classified as open forms of opportunism (Wathne & Heide, 2000). Indeed, a potential issue of concern with opportunism in cross-border ties is not so much how blatant (i.e., strong form or active) the opportunism is, but rather how 'secretive' the behavior is—that is, opportunism that involves the importer in the overseas market keeping information about tasks and duties to itself.

HYPOTHESES DEVELOPMENT

We use moral categorization to explain how exporting victims categorize importing perpetrators based on perception of their opportunistic behaviors. Moral categorization is activated by the

victim in response to noticed morally relevant situations such as opportunistic behavior (McHugh et al., 2022; Schein & Gray, 2018). Present moral categories of the victim originate from past cognitive activity (Markman & Ross, 2003) and help the victim to select familiar prior experiences and link present attitudes and expectations to those experiences (Weick et al., 2005).

Of course, with the increasing frequency of categorization, the process becomes increasingly habitual and automatic (Barsalou, 2003) as well as reliable (McHugh et al., 2022). Since opportunism is a recurrent feature of interfirm partnerships (Wathne & Heide, 2000), the exporter has the opportunity to notice the importer's deception, shirking, forced renegotiation, and/or refusal to adapt behaviors. Such observations automatically trigger the exporter's usage of morally colored mental concepts archived in its memory, such as 'morally acceptable' or 'morally unacceptable' (Cosmides et al., 2019), resulting in classification of the observed behavior and categorization of the importer as 'opportunistic' or 'not opportunistic'.

Because firms involved in cross-border interfirm partnerships are preoccupied with defending against potential serial exploitation (Leonidou et al., 2017), there is reason to expect that opportunism detection culminates in the partner's assignation as an opportunist. Indeed, work on the evolution of social exchange suggests humans have inbuilt 'cheater' detection routines (Cosmides et al., 2010).

The exporter's categorization process reinforces the moral distinction between importers who are classified as opportunistic and those who are not. This said, usually categories are radially structured, and it is possible that certain behaviors are more reliable and stable representations of the opportunism prototype than others (Tsoukas & Chia, 2002). In sum, when the exporter perceives that observed behaviors of the importer are violating previously

established moral norms, it will categorize them as opportunistic and connect this label to the importer itself. Therefore:

H1a: The importer's opportunistic behaviors, (1) deception, (2) shirking, (3) forced renegotiation and (4) refusal to adapt, are positively linked to the exporter's categorization of the importer as opportunistic.

Once observed behaviors are deemed to be acts of opportunism and the perpetrator is categorized as opportunistic, this defined category would sharpen the victim's reaction in terms of specific beliefs in the relationship (Weick et al., 2005). In particular, there is reason to expect that the exporter's categorization of the importer as opportunistic will decimate trust building. Here, trust refers to the exporter's willingness to rely on an importer in whom it has confidence (Katsikeas et al., 2009). It is an attribute of an interfirm relationship that emerges between partners as they assess their ongoing exchange experiences (Robson et al., 2008). At the best of times, inter-partner trust is difficult to build and easy to squander (Parkhe, 1998). The exporter would be extremely reluctant to place itself in the hands of an importer it has categorized as a cheater, by making the 'leap of faith' that building trust beliefs entails. Instead, the exporter is likely to seek to protect itself through reversing the path of trusting integration. Hence:

H1b: The exporter's categorization of the importer as opportunistic is negatively linked to the exporter's trust in the importer.

Taking our H1a and H1b arguments together, we expect an indirect relationship between the opportunistic behaviors and trust via categorization of opportunist. This indirect effect is central to establishing the mediating role of categorization. Accordingly, we hypothesize:

H1: The exporter's categorization of the importer as opportunistic mediates the relationships between the importer's opportunistic behaviors, (1) deception, (2) shirking, (3) forced renegotiation and (4) refusal to adapt, and the exporter's trust in the importer.

Moral categorization is a dynamic process (e.g., Barsalou, 2017) which occurs under the influence of various contextual factors and the current situation (McHugh et al., 2022). Psychic distance refers to "perceived cultural issues and problems in the business environment and with practices, making it difficult for a firm to comprehend an overseas market and operate there" (Obadia et al., 2015, p.972). Exporter–importer settings involve trading partners that may differ greatly in culture, language, personal relationships, business practices, legal systems, and other country-level factors. These underlying differences serve to lower the exporter's ability to effectively understand and interpret communications and behaviors that come from the importer's market. Here, we argue that the exporter's psychic distance will condition its categorization of the importer based on their observed opportunistic behaviors, and that such an effect differs for information-based (deception and shirking) and open (forced renegotiation and refusal to adapt) classes of opportunistic behaviors.

Psychic distance captures the sum of factors inhibiting flows (Johanson & Vahlne, 1977) and clarity (Leonidou et al., 2006) of information from and to the export market. Due to the greater psychic distance, a lower level of communication occurs, which undermines the reciprocity and mutuality between the interacting parties (Leonidou et al., 2006). In cross-border negotiations between companies, for example, this situation inevitably leads to information asymmetry, with one side becoming more frugal and insecure. An importer that is opportunistic in a manner that, in effect, exploits high levels of psychic distance, would be tolerated less, and dealt with through the classification of its behaviors as socially unacceptable and itself as exploitative. The presence of psychic distance on top of the importer's secretive information-based forms of opportunism (i.e., deception and shirking activities), is expected to make the exporter fearful about its cross-border partnership. The exporter would perceive that what it has

managed to notice despite poor information flows, may be the tip of the iceberg of a partner's

covertly opportunistic behaviors that it is mostly getting away with. Thus:

H2a: When psychic distance is at high levels the positive link of information-based opportunism behaviors (deception and shirking) to categorization becomes stronger.

By contrast, we posit that high psychic distance is likely to discourage the opportunistic

categorization of the importer who exhibits open forms of opportunism (i.e., forced renegotiation

and refusal to adapt). Open opportunism is easy to detect as the importer brings these behaviors

to the attention of the exporter. The main source of uncertainty is not to do with the identification

of forced renegotiation and refusal to adapt, but rather whether these behaviors contain the clear

intention to hurt the exporter (Leonidou et al, 2006). Categorization is difficult when parties from

highly dissimilar environments are interacting, using their own culturally shaped moral norms as

frames of reference (Bello et al., 2003). When the opportunistic behavior is signaled by the

importer but is unclear and unfamiliar to the exporter due to high levels of psychic distance, they

will hesitate in categorizing the importer as opportunistic due to the normative ambiguities

involved. The exporter may attribute openly opportunistic behavior to country-level factors, such

as unfamiliar foreign business practices or customs. Thus:

H2b: When psychic distance is at high levels the positive link of open opportunism behaviors (forced renegotiation and refusal to adapt) to categorization becomes weaker.

The categorization process is embedded within a single actor's perceptions. Such

perceptions are happening under the particular social-contract algorithm defined within the

firm's cultural context (McHugh et al., 2019) and rooted in its own moral reasoning (Schein &

Gray, 2018). That is, the actor connects cues represented by cultural and social practices to

interpret what is going on (Maitlis & Sonenshein, 2010; Weick et al., 2005). Indeed, the

literature shows that others can be categorized in different ways based on cues that have meaning in a particular social context (Thijs & Verkuyten, 2023). Social context in general (Stern, 2022), and culture in particular (Long & Mills, 2010), provide a framework through which actors understand reality and give meaning to particular forms of behavior. Therefore, an exporter's categorization process is colored by contextual characteristics of its national culture (Barsalou, 2003; Reed & Vinson, 1996). It is plausible that the process of transforming observed opportunistic behaviors into an opportunist categorization will be formed differently in different national cultures (Long & Mills, 2010).

For example, a Slovenian exporter might classify omissions in e-mail responses from an Arabian importer as opportunistic and the sign of a prototypically opportunistic partner, whereas a French exporter could interpret the same behavior from the Arabian importer as mostly carelessness and not categorize them as opportunistic. On the other hand, the same importer may be considered friendly during negotiations with the Slovenian partner, if the importer creates a friendly atmosphere and tries to be humorous. French, on the other hand, who are usually suspicious when the partner is friendly at the beginning of a discussion and reveals personal or family details, may interpret this as a signal of taking advantage of the family situation to close a deal, and classify the importer as an opportunist. Thus, it is hypothesized:

H3: The link between importer opportunism behaviors and exporter's categorization of the importer as opportunistic, varies according to the exporter's national culture.

METHOD

We analyzed the data from two surveys of exporters located in France and Slovenia using PLS structural equation modeling. These two countries provide notably different contexts for the development of export relationships. France has a national market of approximately 67 million

consumers and is the fifth-largest global exporter, with 32,500 industrial firms exporting to more than four countries at an average of 37% of their sales (DGDDI, 2018). Slovenia has a small national market of just over two million consumers, and its 1,200 industrial exporters are more dependent than French firms on their export sales—56.2% of Slovenian overall GDP in 2020 was generated through exports, and coverage of imports by exports in the same year was about 113.7 % (Statistical Office of Slovenia, 2021). A founding member of the European Union, France is a traditional Western European democracy with a capitalist economy. Slovenia, part of former communist Yugoslavia until its independence in 1991, joined the European Union in 2004 and constitutes a successful transitional economy (e.g., the first new European Union member to adopt the euro in 2007). Another contrasting aspect is individualism, where France scores 71—indicating that members of society have loose ties that often only relate an individual to his/her immediate family. On the other side of the spectrum is Slovenia with its score of 27, meaning that society maintains a high degree of interdependence among its members (Hofstede et al., 2010). The significant historical and cultural differences between the two countries differentially affect how export relationships are initiated and developed. Below, we describe our data collection procedures, measurements, data analyses, and results.

Data

For this study, we used three secondary data sets and collected two primary data sets from exporters in France and Slovenia. The first two secondary data sets include demographic information of the responding firms in France and Slovenia, the names of their managers in charge of exporting, and the demographics of their respective companies. The third secondary data set provided the growth of GDP in the importer country for the year the data were collected

(International Monetary Fund, 2019). The French primary data were used to test all three hypotheses, while the Slovene data were used for H3 only.

We used G*Power (Faul et al., 2009) to calculate the sample size needed to achieve enough statistical power to detect small effects in our more complex models. The required number of observations is 101 for the moderated models (see Table 3). Then, we collected the primary data with two surveys of exporters. For both collections, we extracted random samples using a systematic method from a database comprising 32,500 French exporters and the roster of the 1,200 Slovene exporters. This method yielded a total of 1,000 (828) industrial firms in France (Slovenia). Then we selected firms with more than ten employees that exported at least 10% of their total revenues to more than three countries and used independent foreign distributors (France: 888 firms, Slovenia: 606 firms).

We first contacted the selected firms to check their characteristics and willingness to participate in a survey. Then, managers in charge of exporting received an e-mail containing a link to a dedicated website. These informants were asked to base their answers on an interfirm relationship with one of their foreign distributors. We established respondents' competence in several ways. First, we made a series of telephone calls to each potential respondent to confirm the information included in the database. Second, we asked managers to complete a four-question competency test. We eliminated questionnaires with a score less than 4.0 on any of the four items. We also excluded questionnaires with a mean score less than 5.0 on the four items.

The data sets included 154 firms for France and 111 Slovene firms (for response rates of 17.3% and 18.4%). The size of these samples provides sufficient statistical power for present purposes (see our G*Power analysis above). The number of observations is well above the requirements for analyses with nonparametric methods such as PLS (Reinartz et al., 2009). In the

final samples, firms belonged to 18 of the 21 industrial categories recorded in France, and 8 of the 16 in Slovenia. The share of firms categorized as small and medium-sized enterprises (European method) was 80% (78%) for France (Slovenia). Exports generated an average of 34% (52%) of the revenues for the French (Slovene) firms. Of the respondents, 89% (79%) belonged to the top management of the firm in France (Slovenia); the remaining respondents were export area managers. The French (Slovene) respondents were responsible for the focal interfirm relationship for an average of 8 (7.5) years.

We assessed nonresponse bias with two different procedures for both surveys. First, we compared early and late respondents with regard to the study constructs and found no significant differences between the two groups. Second, we compared respondents and nonrespondents on demographics (size, international experience, number of countries to which they exported) and again found no differences. Thus, nonresponse bias is not a problem in the two surveys.

Preliminary Interviews and Measures

Measures for opportunist categorization and the opportunistic behaviors were developed based on the literature (e.g., Cavusgil et al., 2004; Leonidou at al., 2017; Wathne & Heide, 2000; Zhou & Xu, 2012), and on a series of preliminary interviews with exporters in France and in Slovenia. These personal interviews had two main objectives: 1) to confirm that the opportunistic behaviors highlighted in the literature were pertinent for exporting firms, and 2) to check the appropriateness of the measures of opportunism in previous studies. Six export executives in France and seven in Slovenia participated in our preliminary study. The interviews, conducted in local languages, lasted from 45-60 minutes, and were taped and transcribed for further analysis.

First, an open-coding procedure of the qualitative data led to four categories of behaviors: deception, shirking, forced renegotiation, and refusal to adapt. This list of opportunistic behaviors was in line with opportunistic behaviors derived from the marketing channels literature (Wathne & Heide, 2000) and the export marketing literature (Zhou & Xu, 2012). We asked our respondents to elaborate on 'violations of explicit or implicit contracts' (Verbeke, 2019) by their foreign representatives. We then evaluated each behavior mentioned and assessed whether it was opportunistic. An example of behavior labeled as deception is "…we were never able to obtain from them (the importer) precise information on the pricing situation in the market…", since it implies that the importer intentionally left the exporter with false beliefs (Carson, 2010). Shirking, explained by Wathne and Heide (2000) as when one of the parties intentionally holds back or fails to take agreed-upon actions, was in many examples brought forward by the executives interviewed. For instance, one of them stated: "...they (the importer) never implemented the sales promotion campaign that we had agreed for that year...". The situation of one party taking advantage of new circumstances to extract concessions from the other, is described by Wathne and Heide (2000) as forced renegotiation. An interviewee suggested: "...once we invested heavily into training their sales force, they (the importer) demanded an increase of their margin due to higher market demand for a trained salesforce...". Finally, Wathne and Heide (2000) listed refusal to adapt as a form of opportunism that was also mentioned by our preliminary interview participants. One interviewee disclosed that, "...they (the importer) never agreed to reduce their margin despite the strong increase in custom duties that affected our sales...".

Second, we checked a single-item measures used to assess each specific opportunistic behavior from the literature. We found that the most usual item for deception, "The importer alters facts slightly" (e.g., Leonidou at al., 2017), did not fully cover all the facets of deception.

However, the concept of (lack of) transparency (*transparence* in French, *transparentnost* in Slovene) covered them adequately.[3] Hence, this single item is used as it capture the three facets of deception (lying, distortion, and omission). Shirking was measured with the item used by Zhou and Xu (2012), and forced renegotiation with the item by Wu et al. (2007). Our refusal to adapt item was taken from Wathne and Heide (2000). The scale for opportunist categorization assessed how exporters would qualify their importers as opportunistic firms. The items are derived from the literature (e.g., Cavusgil et al., 2004; John, 1984) and were re-worked during the preliminary interviews with exporters from both countries. For this scale, which was used for our H3, measurement equivalence between the French and the Slovene data sets was assessed following Mullen's (1995) suggested method. Two-group comparisons show metric equivalence (invariance of loadings). We measured trust with the scale of Morgan and Hunt (1994).

Finally, we assessed the scales' indicators' substantive validity (Anderson & Gerbing, 1991) by asking seven marketing academics in France and in Slovenia, as well as six export executives in each country, to examine every item and to assign it to a corresponding concept. In doing so, we could identify indicators that were difficult to assign; this procedure also enabled us to resolve minor problems with respondents' comprehension.

For each reflective scale, Appendix 1 details the loading of each indicator, the composite reliability index (ρf), and the average variance extracted (AVE). All the constructs obtain indices higher than the benchmark values ($\rho f = 0.6$, AVE $= 0.5$). We tested the discriminant validity of each instrument using three methods. We first checked that no indicator contributed to a scale other than its own. We then applied Fornell and Larcker's (1981) criteria and checked that the

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[3] This may not be the case in all languages. Our opportunism items were revised in the interviews with exporters, considering only linguistic specificities of the languages that were relevant for the countries of this study. Appropriate back-translation between French and Slovene was implemented to secure equivalency.

variance extracted in each reflective variable was higher than the square of its correlations with other constructs. Third, we calculated the heterotrait–monotrait (HTMT) ratio of correlations (Hair et al., 2017) for each pair of reflective constructs and verified that it was under the benchmark value of 0.90 (see Tables 2a,b).

Finally, we measured psychic distance with the latent formative instrument from Obadia et al. (2015), which assesses perceived issues caused by cultural and business practices in the importer's country. We validated this instrument based on Diamantopoulos and Winklhofer's (2001) recommendations (see Appendix 1). Appendix 1 also includes the characteristics of the single-item instruments.

Insert Tables 2a and 2b here

Common Method Variance

We took several steps to mitigate common method variance (CMV). Regarding questionnaire design, we advised respondents that there were no good or bad answers and that they should answer candidly, and we scattered reflective items around the questionnaire so respondents could not identify items describing the same factor. Moreover, we changed the anchors of the questions whenever possible. In a second phase, we ran statistical tests designed to assess the level of CMV in our models. Kock's (2015) test focuses on the identification of common method bias based on full collinearity assessment, whereby a model is checked for the existence of both vertical and lateral collinearity. Through this procedure, variance inflation factors (VIFs) are generated for all latent variables in a model. The occurrence of a VIF greater than 3.3 is an indication that a model may be contaminated by common method bias. In the main model, latent variable VIFs vary from 1.18 to 2.13. These results suggest CMV does not affect our findings.

Endogeneity

Endogeneity occurs when a predictor construct is correlated with the error term of the dependent construct to which it is related (Bascle, 2008). This implies that the predictor construct explains not only the dependent construct but also its error term.

One of the most common causes of endogeneity is omitted variables (Bascle, 2008). The nonsignificant correlation between the residuals of the two regressions in the mediated model (-.000) suggests that omitted variables do not affect our results (Allison, 2018; Sande & Ghosh, 2018). Nonetheless, we tested the endogeneity of all the explanatory variables using Gaussian copulas (Park & Gupta, 2012) that enable us to directly model the link between an endogenous variable and the regression error term with a copula. This method is well suited when no well-recognized instrumental variable is available. We adopted the approach outlined in Hult et al. (2018). Since the Gaussian copulas procedure can only be applied to nonnormally distributed variables, we used latent scores to assess the nonnormality of the explanatory variables by running a Kolmogorov-Smirnov test with Lilliefors correction. The nine (four) variables in the French (Slovene) data set passed the test. Then, we used the package REndo in R (Gui, 2019) to calculate Gaussian copulas for these variables in different models. The nonsignificant results for the copulas suggest that these variables are not endogenous.

Control Variables

The two control variables in the PLS models belonged to two categories: (1) relationship characteristics (duration of the relationship), and (2) the environment (GDP growth in the foreign market). They were introduced with the main objective of mitigating endogeneity. The duration

of the relationship indicates the number of years since the beginning of the exchanges between the exporter and importer. Its influence on the outcome of cross-border interfirm relationships has been established by several studies (e.g., Cavusgil & Zou, 1994). For GDP growth in the foreign market, we used the International Monetary Fund (2019) database to extract the real GDP growth in each import country. The coefficients for the control variables appear in Table 3.

RESULTS

PLS was selected for four reasons. First, most of the variables in the models are nonnormal (see the Endogeneity subsection). The second reason was the limited size of the Slovene data set (n = 111). Third, PLS allows the specification of reflective and formative constructs. Fourth, PLS uniquely calculates the values of latent variables, which allowed us to assess Gaussian copulas in R. Table 3 summarizes the results of the PLS analyses for H1 and H2. For each model, we calculated the standardized root mean square residual (SRMR) fit index.[4] The SRMR is defined as the difference between the observed correlation matrix and the model implied correlation matrix. Thus, it allows us to assess the average magnitude of the discrepancies between observed and expected correlations as an absolute measure of (model) fit. The observed values between .071 and .076 and are considered a good fit (Henseler et al., 2014). As PLS is a nonparametric method, we obtained *p*-values and confidence intervals by bootstrapping with 5,000 samples.

Insert Table 3 here

H1a[1-4] was tested with the French data (Table 3, Mediated Models). Opportunistic behavior to categorization as opportunistic relationships were verified for all four behaviors: deception (β

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[4] Hair et al. (2017) recommend caution in interpreting PLS fit indices.

= .47, $p < .01$), shirking ($\beta = .47$, $p < .01$), forced renegotiation ($\beta = .37$, $p < .01$), and refusal to adapt ($\beta = .33$, $p < .01$). H1b, which linked categorization to trust, was also supported ($\beta = -.60$, $p < .01$). To test our mediation hypothesis, H1[1-4], we assessed the indirect effect of each behavior on trust via categorization with a nonparametric test. The results (see Table 4) endorse the hypothesized mediation for deception ($\beta = -.28$, $p < .01$), shirking ($\beta = -.24$, $p < .01$), forced renegotiation ($\beta = -.24$, $p < .01$), and refusal to adapt ($\beta = -.22$, $p < .01$). A significant total effect of the behavior on trust and nonsignificant direct effect in the mediated model (Table 3), indicates full mediation for deception, forced renegotiation, and refusal to adapt. A significant but reduced direct effect on trust in the mediated model indicates partial mediation for shirking.

Insert Table 4 here

Our H2a,b predictions were tested with four moderated models that included the respective cross-products of the four opportunistic behaviors with psychic distance. The hypotheses are verified for two out of four behaviors (see Table 3, Moderated Models). Psychic distance increases the opportunist categorization of the two information-based opportunistic behaviors, deception ($\beta = .24$, $p < .05$) and shirking ($\beta = .23$, $p < .05$) (H2a supported). However, psychic distance does not reduce the opportunist categorization of the two open behaviors, forced renegotiation ($\beta = -.05$, $p > .10$) and refusal to adapt ($\beta = .10$, $p > .10$) (H2b not supported).

Unexpected, nonsignificant results of the influence of psychic distance are important in the study of cross-border exchanges. Thus, we needed to validate the nonsignificant path coefficients. We gave particular consideration to the issue of statistical power. Indeed, statistical power ($1 - b$) is derived from the probability (b) of Type II error—that is, of failing to reject the null hypothesis when it is actually false (Cohen, 1988). Cashen and Geiger (2004) recommend

that when testing null hypotheses, statistical power of at least .95 (instead of .80) should be achieved. This value corresponds to a .05 probability of Type II error. We used G*Power (Faul et al., 2009) to calculate the statistical power achieved in our moderation regression procedures. With three independent variables ($n = 154$) and the probability of Type I error being .05, the statistical power of this regression is .99. This result suggests the multivariate moderation regression has sufficient statistical power to safely fail to reject the null hypothesis. Hence, our results robustly show that psychic distance has no influence on the effects of forced renegotiation and refusal to adapt on categorization.

To test H3 we compared results obtained with the French and the Slovene data for the coefficients of the links between behaviors and opportunist categorization (see Table 5). A two-group analysis revealed statistically significant ($p < .05$) differences between the two countries for all four behaviors. Hence, H3, contending that national culture moderates the link between behaviors and categorization, is verified. Differences in the path coefficients between the two countries are always in the direction of the Slovenian exporters being more likely to assign the opportunistic categorization when they perceive importer opportunistic behaviors. In addition, the results registered with the Slovene data provided further support for H1a[1-4].

Insert Table 5 here

Most of our hypotheses are verified. Table 6 summarizes the results of the study.

Insert Table 6 here

DISCUSSION AND IMPLICATIONS

Our study unravels features of the process the exporting victim uses to perceive and react to different opportunistic behaviors, via a moral categorization of the importing perpetrator that is underlined by its own morality. We show that morality is not only a powerful means for the categorization of an action, but it also ascribes action, thoughts, feelings, and reasoning of the individual via the invocation of powerful categories that already contain a set of mentally prescribed actions (Housley & Fitzgerald, 2007). We go a step further and examine the meaning of categorization in terms of its trust outcomes and address the roles of psychic distance and national culture. Our study provides important insights for scholars.

First, because available studies on opportunism's outcomes in exporter–importer relationships have treated opportunism as a unidimensional construct (Table 1), knowledge of the effects of multiple, specific opportunistic behaviors is strikingly limited. This is disconcerting given that it has long been theorized in the interfirm relationships literature that opportunistic behaviors can work in different ways (Lumineau & Quélin, 2012; Wathne & Heide, 2000). Building on such awareness, our study is the first to show that importer opportunistic behaviors can have differential effects. Of the four opportunism behaviors, shirking alone has a direct path to trust; which could imply that this form is uniquely damaging for cross-border interfirm ties. We also observe variation in mediation and moderation effects across opportunistic behaviors.

Second, interfirm relationship studies on the consequences of opportunism, have typically considered the behavior of the perpetrator (e.g., Jia et al., 2020; Obadia et al., 2017; Verbeke et al., 2019) without capturing the perspective of the victim. This is surprising given that executives apply their moral judgment, shaped by social, contextual, and experiential factors, to evaluate behaviors as right or wrong (cf. Reidenbach & Robin, 1990). Indeed, Arikan (2020), in his study of factors shaping exchange partners' subjective opportunism judgments, finds that victims are

more likely to evaluate an unexpected behavior as opportunistic than perpetrators. Their judgments relate to the underlying factors in a different way than perpetrators' judgments. Despite advances made by studies applying TCE, relational exchange theory, and the resource-based view to the phenomenon of opportunism in exporter–importer ties, these encourage a single-minded focus on opportunistic behavior. We draw on the theories of categorization (Hogg, 2001; Rosch, 1973) and dyadic morality (Schein & Gray, 2018) in elucidating the distinction between different forms of the importer's opportunistic behavior and the opportunist categorization by the exporting victim and show that it is the moral categorization—rather than behavior—that is likely to influence the victim's integration beliefs. This study confirms that the victim's moral categorization of the perpetrator as an opportunist is crucial in driving its trust.

By demonstrating that the opportunist categorization of the importer fully mediates the influence of importer opportunistic behaviors on exporters' trust in the importer,[5] we shed new light on the importance of the categorization process in cross-border relationships. Managers use categorization to organize relationships and reduce the vagaries of cross-border trade (Fellows & Liu, 2016; Katsikeas et al., 2009). Basic categorization invokes 'us' (the exporter) and 'them' (the importer) labels, potentially leading to 'us versus them' sentiments (Cosmides & Tooby, 2004). Accordingly, categorization is a powerful mechanism in establishing and deepening (or not) social ties between exporters and importers.

Third, against the backdrop of exporter–importer research being silent on the cultural universality of opportunism's effects (e.g., Obadia et al., 2017), we show that the same opportunistic behavior can produce different strengths of opportunism categorizations depending on psychic distance between the perpetrator and victim and the national culture of the victim.

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[5] Shirking alone has a path to trust that is partially mediated by categorization.

Categorization due to information-based opportunism (deception and shirking) will be stronger when there is a larger psychic distance between the exporter and importer. Psychic distance reduces the comprehension of socio-cultural norms and general behavioral patterns of distant cultures, and as a protective mechanism, the victim elevates secretive behaviors that can be easily classified around a familiar 'prototype' created from prior exporting experiences. Any opportunistic behavior looking to exploit high levels of information asymmetry caused by psychic distance in cross-border trade, will be seen as intolerable and deemed prototypical. On the other hand, our results show that psychic distance is not a significant factor when dealing with open opportunistic behaviors (forced renegotiation and refusal to adapt). It may be the case that export managers have low tolerance of open, confrontational forms of importer opportunism that pose a direct and obvious threat to the contractual or relational agreement between the partners. The victim can easily use existing categorizations to label the perpetrator as opportunistic, irrespective of psychic distance.

We further demonstrate the significant moderating role of national culture on the influence of all four opportunistic behaviors on opportunist categorization, with stronger links for Slovenia than for France. A novel implication is that different social groups vary in their understanding of what counts as opportunistic (Lumineau & Oliveira, 2020). Hence, in a situation where one importer acts selfishly and guilefully with exporters from two different countries, the strength of categorization resulting from these opportunistic behaviors may differ between the victims (cf. Hodgson 2004). Indeed, our two national research contexts have been thoughtfully chosen as the countries score quite similarly on all of Hofstede's values except for individualism–collectivism, with France scoring 71 and Slovenia 27 (index of 100). Differences between France and Slovenia in opportunistic behavior to categorization links may be due to large differences in their

national value orientation for individualism (France) and collectivism (Slovenia). Individualism seems appropriate for examining the process of categorizing opportunists as it captures views on self-identity and self-interest that shape individuals' judgments and behaviors. In individualistic societies, such as France, self-identity and self-interest take precedence over group interest (Chen et al., 2002). Individualists define the self as autonomous and independent, whereas collectivist societies, such as Slovenia, define the self as connected and interdependent with significant others within their in-group. Collectivist societies display a higher tightness in norms enforcement that explains the stronger reaction of Slovene exporters when they are confronted with norms violations in the form of opportunistic behaviors (Kim & Slocum, 2008).

Managerial Implications

We provide several implications for export and import managers. First, import managers should be aware that exporters are active and responsive in categorization, based on perceived opportunistic behavior, which leads to trust reduction. We observe that the relationship between the opportunistic behaviors including deception, forced renegotiation, and refusal to adapt, and trust, is fully mediated by categorization. The effect of shirking alone is partially mediated by categorization. Given this pervasive mediating role of the exporter's categorization of the importer as opportunistic, import managers should be taught how to regularly furnish exporters with clear examples of situations where they put the exporter's interests before their own. This can be done through various forms of role-playing and coaching activities. For instance, importers could be asked to play the role of exporter based on a pre-developed scenario, and then reflect on how they perceive the behavior displayed in the scenario and how they would classify the importer in the scenario. Importers also need to ensure they manifestly perform all the tasks

that are expected from them to avoid exporter perceptions of shirking directly damaging trust building in the relationship.

Second, particular care should be taken over open forms of opportunism that give the exporter a straightforward opportunity to notice opportunism and categorize the importer as opportunistic. At the same time, open forms of opportunism can be relatively easily replaced with constructive dialog, open discussion, and assertive communication during the relationship-building phase. However, this requires a high level of communication and negotiation skills. Therefore, importers involved in cross-border interactions with exporters should ensure that they conduct a thorough assessment of individual training needs for all employees involved in cross-border interactions, that will be used as a baseline for development of the coaching programs. This process will allow the importer to assess the skills and abilities managers require to engage in constructive dialog, open discussion, and assertive communication with exporters to avoid being labeled opportunistic, while still protecting and safeguarding the importer's interests.

Third, import managers should be aware that the exporter's perceived psychic distance to their market increases its tendency to link importer information-based opportunistic behavior to their categorization as opportunistic. Psychic distance arrests flows of information from and to the export market (Leonidou et al, 2006), potentially creating paranoia over detecting the importer's deception and shirking behaviors. Where an importer has behavioral tendencies that exacerbate exporter anxieties over secrecy—anxieties that are already at a high level due to psychic distance—the exporter and importer could take joint steps to organize shared cross-cultural training for all managers involved in the partnership to facilitate mutual learning into their respective roles and activities (Parkhe, 1991). Given today's hybrid work, training sessions can be organized in a hybrid form where both exporters and importers can participate. The main

aim of this cross-cultural training would be developing the skills needed to understand each other's social and cultural norms, as well as differences in communication style, tone, and body language. Alternatively, the firms involved in cross-border interactions can implement an internal 'buddy system' by matching managers with higher and lower cultural intelligence (Earley & Mosakowski, 2004). Cultural intelligence has been shown to be positively related to more effective cross-cultural negotiation (Imai & Gelfand 2010) and to indirectly improve export outcomes (Magnusson et al., 2013). We can assume that a buddy with high cultural intelligence will transfer understanding of other cultural and social norms to a less culturally sensitive buddy, showing them how to avoid behaviors easily categorized as opportunistic.

Finally, it is important that export and import managers understand that the social categorization process resulting in the assignation of a partner firm as opportunistic, is not a culturally universal phenomenon. Indeed, firms that are exporting to collectivistic societies should be especially careful to avoid opportunistic behavior, as they will be more quickly and purposely categorized as opportunistic, leading to a loss of trust with exporters in these societies.

Limitations and Further Research

First, in disentangling a perpetrator's opportunism from the perception by their victim that leads to the categorization of the perpetrator as an opportunist, we cast the exporter and importer in the roles of victim and perpetrator, respectively. Importers suffer from opportunism too and the categorization process probably works both ways: importers categorize exporters, while exporters also engage in categorization of importers. Thus, future work could examine how reversing the roles in the categorization process drives trust beliefs from the importer's viewpoint (Arikan, 2021). Some processes, such as negotiations, may provide fertile ground for

surfacing a partner's moral values. We therefore suggest that researchers interested in both-ways

categorization of opportunists consider experimental studies in negotiation situations. Second,

interfirm relationships go beyond interactions between the senior management of two firms

(Hartmann, Wieland, and Vargo, 2018). The common focus of research on dyadic, interfirm

relationships that we also adopted in this study, through the use of a single executive as the

representative of the upper level of the firm, may need to be reconsidered to gauge if processes

of categorization are affected by wider team dynamics. Such dynamics can occur within a single

firm (e.g., members of an importer's buying team) or involve sets of firms working together

(e.g., members of an export association). Thus, scholars should expand the focus to capture

categorization processes of the wider team involved in cross-border relationships.

Third, the victim's responses could be clouded by various response biases such as

assumptions, past experiences, etc., which may bias the respondent in classifying the behavior.

One of the possible biases is the reputation of the country of the perpetrator, captured through

country-of-origin (COO) effects (Dimitrova et al., 2017). These biases (Smit, 1993) that could

shape the categorization process, particularly with respect to the dark-side of human behavior

(e.g., the British are more likely to behave opportunistically than the Germans), need to be

carefully examined. Thus, the results have to be interpreted taking this limitation into account.

Fourth, the victim's decision to continue or abort activities with the perpetrator would seem

to stem from its decision-making process. Categorization is a 'decision heuristic' that is used,

alongside other evaluation criteria, to pass judgement on the partner. It would be beneficial for

future research to draw from decision theory in examining when exactly the opportunist's

categorization becomes a key heuristic within decision making. Fifth, this study selects France

and Slovenia as empirical prototypes for the purpose of data collection, which by default signals

a generalization issue. Although in our theory-driven study we do not expect the empirical

prototype to significantly change the results since theory, if correct, should hold in any context in

which it is tested (Boso et al., 2013), we still call for validation. We encourage scholars to

replicate our study in cross-national settings that allow more in-depth exploration of the role of

all cultural dimensions (Hofstede, Hofstede, and Minkov 2010) in the exporter's process of

categorizing the importer as opportunistic.

APPENDIX 1: Measurement characteristics

Scale Properties and Items	
(all items were measured with seven-point Likert scales or semantic differential)	
Latent Reflective Instruments	**Loadings**
Opportunist Categorization (France), ρvc = .73, ρf = .89	
This distributor will not shy at anything to increase their profit.	.78
This distributor does not hesitate to hurt our interests in order to increase their profits.	.84
This distributor is so obsessed by their own interests that they do not hesitate in sacrificing ours when it suits them.	.92
Opportunist Categorization (Slovenia), ρvc = .70, ρf = 0.87	
This distributor will not shy at anything to increase their profit.	.77
This distributor does not hesitate to hurt our interests in order to increase their profits.	.84
This distributor is so obsessed by their own interests that they do not hesitate in sacrificing ours when it suits them.	.89
Trust (France), ρvc = .68, ρf = .89	
This distributor has high integrity.	.88
This distributor can be trusted completely.	.84
This distributor cannot be trusted at times. (R)	.69
This distributor can be counted on to do what is right.	.87

Latent Formative Instrument	**Coefficient (*t*-value)**
Psychic Distance (France), **Collinearity Statistics, 1.24 ≤ VIF ≤ 1.85** **1 ≤ Condition Index ≤ 8.70**	
To what extent are the following aspects of the market where your importer operates a problem for your company? (seven-point scale: "no problem at all/a major problem")	
Language	.40 (2.01)
Behaviors of the people	.57 (2.91)
Way of thinking of the people	.72 (2.99)
How business is organized	.58 (2.80)
Personal relationships	.54 (2.15)
Environment, economic, political, and legal	Nonsignificant

Single Items	Mean, SD France / Slovenia
Deception This distributor is not transparent with us	2.49, 1.51 / 2.08, 1.41
Forced renegotiation This distributor sometimes tries to use unexpected events to extract concessions from our firm	3.30, 1.83 / 3.25, 2.05
Refusal to adapt This distributor sometimes refuses to implement changes made necessary by new circumstances	2.97, 1.59 / 3.11, 1.55
Shirking This distributor does not perform all the tasks that he should	2.59, 1.65 / 3.16, 1.76

Note: (R) = reverse-scored item.

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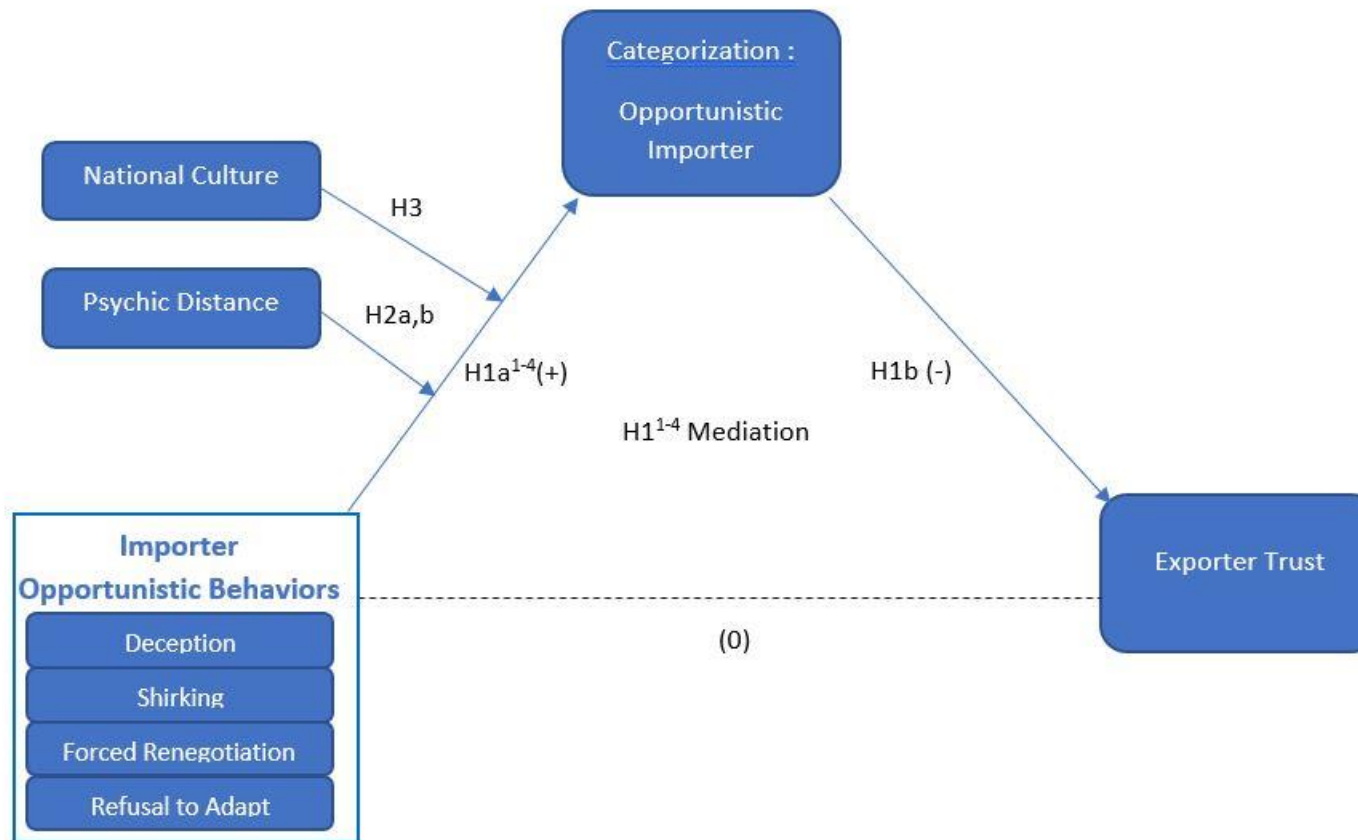
FIGURE 1: Conceptual Model

TABLE 1: Empirical Research on Outcomes of Opportunism in Exporter–Importer Relationships

Authors	Study Context	Main Theoretical Underpinning	Conceptualized Multiple Forms of Opportunistic Behavior[a]	Differentiated Between Opportunistic Behavior and Categorization of Opportunist	Acknowledged Importance of Culture for Opportunism	Explanatory Mechanisms		Key Findings
						Moderation	Mediation	
Lee (1998)	Survey of 105 Australian SME exporters in relation to Korean importers, in diverse industries ranging from agriculture and technical parts and equipment to services	Not specified			✓		✓	Cultural distance is positively linked to opportunism, and opportunism is negatively linked to relational exchange. Relational exchange is not linked to duration of relationship. Mediation is not formally tested. Examining the cultural universality of opportunism is not the focus of this study.
Skarmeas et al. (2002)	Survey of U.K. importers in relation to manufacturing exporters, in multiple industries; 292 at T1 and 216 at T2 (1-year lag)	TCE			✓		✓	Opportunism is negatively linked to commitment, and commitment drives performance. Mediation is not formally tested. Cultural sensitivity is negatively linked with opportunism. Examining the cultural universality of opportunism is not the focus of this study.
Li and Ng (2002)	Survey of 179 Western exporters in relation to Chinese channel partners (agents and distributors), in diverse manufacturing industries	TCE; relational exchange theory; resource-based view						Opportunism is positively related to relationship termination.
Deligonul et al. (2006)	Survey of 141 U.S. exporters in relation to foreign distributors, across various manufacturing industries	Resource-based view				✓	✓	Opportunism is not related to satisfaction (the proposed mediator), and this link is not moderated by relational longevity. Satisfaction is negatively linked to switching likelihood.
Wu et al. (2007)	Survey of 142 U.S. exporters in relation to foreign distributors, in heavy equipment and machinery, appliances, medical equipment, and electronics industries	Resource-based view; organizational capabilities perspective						Opportunism is negatively related to competitiveness.
Katsikeas et al. (2009)	Survey of U.K. importers in relation to manufacturing exporters, in multiple industries; 292 at T1 and 214 at T2 (1-year lag)	TCE					✓	Psychic distance is positively related to opportunism. Opportunism is negatively related to trust, and trust drives performance. Mediation is not formally tested. Examining the cultural universality of opportunism is not the focus of this study.
Barnes et al. (2010)	Survey of 202 Hong Kong importers in relation to Western exporters, in diverse areas ranging from electronics and digital entertainment to garments and textiles	Relational exchange theory				✓	✓	Opportunism is negatively related to trust and positively related to conflict. The former (not the latter) link is stronger in reactively (not proactively) initiated relationships. Opportunism's link to communication is fully mediated by conflict, and its link to commitment is fully mediated by trust. Communication and commitment drive satisfaction, which, in turn, drives long-term orientation.
Leonidou et al. (2017)	Survey of 262 Greek exporters in relation to importers, in diverse manufacturing industries	Social exchange theory	✓			✓	✓	Opportunism is positively related to betrayal, and this effect is stronger when foreign environmental uncertainty is high. Betrayal is negatively linked to relational performance. Mediation is not formally tested. Considers opportunistic behavior of the perpetrator and the victim's sense of betrayal, but does not formally distinguish opportunistic behavior from the victim's categorization of the perpetrator as an opportunist.
Obadia et al. (2017)	Survey of French SME exporters in relation to foreign distributors, across 16 industrial categories; 283 at T1 and 105 at T2 (2-year lag)	Relational exchange theory			✓	✓		Opportunism is negatively related to role performance. Psychic distance strengthens the negative link between relational norms (continuity expectations, equity, and cooperation) and opportunism. Examining the cultural universality of opportunism is not the focus of this study.
Current paper	Survey data of 154 French and 111 Slovenian exporters in relation to importers, in diverse manufacturing industries	Moral categorization theory; Theory of dyadic morality	✓	✓	✓	✓	✓	Moral categorization as opportunist mediates paths of opportunistic behaviors (deception, shirking, forced renegotiation, and refusal to adapt) to trust. Moderating effect of psychic distance on the process of moral categorization is contingent on the form of opportunistic behavior. Links of opportunistic behaviors to moral categorization vary across national cultures.

Note: [a] Absence of a tick infers conceptualization of opportunism as a unidimensional construct; TCE = transaction cost economics.

TABLES 2a-b: Correlations between Variables and *Heterotrait-Monotrait Ratio*

On the diagonal, ρvc (AVE) in bold are for reflective constructs. Over the diagonal, the HTMT ratio in italics assesses reflective constructs' discriminant validity. Mean and standard deviation are calculated with summated index for reflective and formative constructs.

2a - France

	Mean	SD	1	2	3	4	5	6	7	8	9
1 Opportunist Categorization	3.25	1.76	**.73**	-	-	-	-	*.83*	-	-	-
2 Deception	2.49	1.51	.47	1	-	-	-	-	-	-	-
3 Shirking	2.59	1.65	.34	.45	1						
4 Forced Renegotiation	3.30	1.83	.37	.20	.14	1	-	-	-	-	-
5 Refusal to Adapt	2.97	1.59	.33	.14	.17	.20	1	-	-	-	-
6 Trust	5.48	1.34	-.69	-.47	-62	-.34	-.22	**.68**	-	-	-
7 Psychic Distance	3.09	1.95	.28	.28	.25	.29	.19	-.43	1	-	-
8 Duration	9.1	4.16	-.15	-.12	.17	-.16	-.09	.18	-.14	1	-
9 GDP Growth	3.61	2.01	-.02	-.03	.13	.03	.10	-.08	.03	.02	1

Note: *n* = 154, correlation significant if $|r| \geq .15$.

2b - Slovenia

	Mean	SD	1	2	3	4	5
1 Opportunist Categorization	3.37	1.81	**.70**	-	-	-	-
2 Deception	2.08	1.41	.69	1	-	-	-
3 Shirking	3.16	1.76	.70	.54	1		
4 Forced Renegotiation	3.25	2.05	.75	.64	.64	1	-
5 Refusal to Adapt	3.11	1.75	.56	.41	.52	.63	1

Note: *n* = 111, correlation significant if $|r| \geq .19$.

TABLE 3: Results of PLS Analysis (H1 and H2)

		Coefficients (*p*-values[a])	
	Total Effect	**Mediated Models**	**Moderated Models**
Deception→ Opportunist Categorization		.47 (.000)	.36 (.000)
Shirking → Opportunist Categorization		.47 (.000)	.35 (.000)
Forced renegotiation → Opportunist Categorization		.37 (.000)	.32 (.001)
Refusal to adapt→ Opportunist Categorization		.33 (.001)	.27 (.002)
Deception→ Trust	-.45 (.001)	-.18 (.058)	-.05 (.321)
Shirking → Trust	-.61 (.000)	-.37 (.000)	-.37 (.000)
Forced renegotiation → Trust	-.32 (.002)	-.09 (.184)	-.07 (.173)
Refusal to adapt→ Trust	-.25 (.045)	.02 (.434)	.05 (.262)
Opportunist Categorization→ Trust		-.60 (.000)	-.60 (.000)
Psychic Distance x Deception→ Opportunist Categorization			.24 (.038)
Psychic Distance x Shirking → Opportunist Categorization			.23 (.035)
Psychic Distance x Forced renegotiation → Opportunist Categorization			-.05 (.357)
Psychic Distance x Refusal to adapt→ Opportunist Categorization			.10 (.191)
Psychic Distance → Opportunist Categorization			.02 (.448)
Control			
Duration → Trust	.15 (.091)	.07 (.187)	.07 (.184)
GDP Growth → Trust	-.10 (0.166)	-.10 (.090)	-.10 (.090)
R²			
Opportunist Categorization		.22	.32
Trust	.26	.52	.52

[a]Significant if $p \leq .050$; 5000 bootstraps.

Note: We run separate models in order to assess the effect of each behavior and each cross product. For the sake of clarity, the results for each behavior and each cross product are presented in the table along with the additional coefficients corresponding to the models testing for Deception and Psychic Distance x Deception.

TABLE 4: Results for Indirect Effects and Mediation Analysis (H1)

Opportunistic Behavior	Effect on Trust			Result for Categorization
	Indirect via Categorization	Direct	Total	
	Coefficients (*p*-values)[a] [Confidence Interval]			
Deception	-.28 (.000) [-.40, -.17]	NS	S	Full Mediation
Shirking	-.24 (.000) [-.34, -.14]	S	S	Partial Mediation
Forced Renegotiation	-.24 (.000) [-.35, -.13]	NS	S	Full Mediation
Refusal to Adapt	-.22 (.002) [-.35, -.09]	NS	S	Full Mediation

[a]Significant if $p \leq .050$ or if confidence interval does not include 0; 5000 bootstraps.

TABLE 5: Results of France Vs. Slovenia Comparison (H3)

	Path coefficients to Categorization			
Opportunistic Behavior	**France**	**Slovenia**	**Difference**	***p*-values[a]**
Deception	.47	.70	.23	.000
Shirking	.47	.71	.24	.013
Forced Renegotiation	.37	.75	.38	.023
Refusal to Adapt	.33	.56	.23	.023

[a]Significant if $p \leq .050$; 5000 bootstraps.

TABLE 6: Results Summary

Hypothesis		Results
H1a[1-4]	The behaviors, deception, shirking, forced renegotiation, and refusal to adapt, are considered opportunistic as they trigger categorization as opportunistic.	Supported
H1b	Categorization as opportunistic is associated with a reduction of trust.	Supported
H1[1-4]	Categorization as opportunistic mediates the influence of the opportunistic behaviors, deception, shirking, forced renegotiation, and refusal to adapt, on trust.	Supported
H2a[1,4]	With high psychic distance, the effect of information-based opportunistic behaviors (deception and shirking) on categorization is stronger.	Supported
H2b[2,3]	However, psychic distance has no moderating effect with open opportunistic behaviors (forced renegotiation and refusal to adapt).	Rejected
H3	National culture moderates the link between opportunistic behaviors and categorization as opportunistic, insofar as the link is stronger in more collectivist cultures.	Supported