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Introduction

When goods, services, technology, capital, and knowledge are traded across the national border, and beyond, the national border is known as the international business (Wild et.al, 2003). Cross-border transaction refers to the transactions of goods and services traded between two or more countries. Various kinds of international production of physical goods and services like finance, banking, and insurance are involved in this transaction. Additionally, international business is also called globalization. On the other hand, the transmission of the information from one place and people to another by a medium is called communication (Leach et.al, 2017). Communication and international business are interrelated. In this report, the chosen company is Tesco, and the developing country is the Philippines. The report illustrates, the introduction of the developing company, the cultural differences between the two countries, challenges and barriers between the two countries, and the cultural sensitivity of the company.

Overview/ Background of Tesco

In 1919 Tesco has established by Jack Cohen and made its headquarters in Cheshunt in the United Kingdom. It started its business by selling regular products. After that, it developed its business by including selling mobile phones and other electronics materials in its value chain (Tesco, 2011). It operates its business in many countries all over the World like the USA, Ireland, Malaysia, Thailand, and many more.

Location

Tesco made its own headquarter in Welwyn Garden city. In the Hertfordshire, England. Tesco moved from Kensington in Liverpool to South Tottenham in London, which is not a random decision. It chose this location so that it could dictate where a supermarket of the chain can locate.

Mission

The mission statement for Tesco is to focus on the customers and provide them with the best quality of products at a lower price. It is a retail brand that believes that it can contribute to the social welfare of the people. Its other aim is to create products and deliver the service to the customer more reasonably.

Introduction to the developing country by using PESTLE Analysis

Political Factors: The Philippines is partially a democratic country in the World. A recent president of the Philippines, Rodrigo Duterte and head of the country, head of government, and commander in chief of the armed forces. It is a unitary state. Mostly it is a three-branch government system presidential, and legislation is functional. Its political environment is unstable and corrupted. Corruption is noticeable in the Philippines instead of a non-chaotic political environment. For this reason, in some cases, corporations need to bribe a politician to stay in the market to settle their position.

Economic Factors: The GDP of the Philippines is 330.91 billion USD (2019) (Guno et.al, 2021). The Philippines showed extreme developments in the last few decades, and recently it has become

the 38th strongest country of economic power in the World. China, Hong Kong, and Japan are the development partners of the Philippines for having countless contributions. The Philippines' most satisfying industries are travel and tourism, pharmaceuticals, shipbuilding, and electronics. Investors can generate 8.7 billion USD in its top-notch workforce (Silinevicha & Kalinina, 2017).

Social Factors: As the Philippines is one of the most developing countries in the World, it has the most helpful, hospitable, and optimistic people. They also showed positivity in their attitude and sense of humor. As many Filipinos make the visitors feel very special, that is why it is the best tourist place in the World. Their official language is both English and Filipino (Zalengera et.al, 2014). Their main religion is Christianity and Islam is in the second position. As it has the highly trainable and English- speaking labor that makes the country operate more foreign brands in the Philippines.

Technological Factors: the Philippines tries to develop its technology very rapidly over the past years. The demand for the usage of technology is rising. To create a difference for mankind, they prioritize innovative works. Their main focus is on their R&D sector. Their tech industry is developing very rapidly. They are working on artificial intelligence, telecommunication, and manufacturing machines, as well as hardware and software engineering. As they are trying to be connected with the World, that's why foreign participants are shown very noticeably in the Philippines. They never do commerciality on their opportunity whereas they try to develop their technology. However, the Philippine government is trying to commercialize its ideas for the future.

Legal Factors: Based on the constitution of 1987, the Philippines is the main source of the law (Lozano & Taboada, 2021). The legal system in the Philippines is so strong, and no political influences are entertained. The Philippines has an entirely fair and systematic political environment. Their labor code is 1974 governs which has been enacted for the employment practices and labor relations of the country. It provides collective employment issues, working hours, firing, and so on.

Environmental Factors: Having a lot of stunning beaches, water parks, world-class malls, hotels, and many more attractions in the Philippines. For this reason, the Philippines is attracted by tourists. Their government decided to invest in their natural resources and eco-friendly

technologies. They have ensured hygiene factors; that's why they make their country very neat and clean. However, they are facing lots of environmental challenges, which are earthquakes, typhoons as well as water pollution, air pollution, deforestation, and loss of biodiversity.

Cultural differences

If British culture is explored through the lens, a decent impression of the deep drivers of British culture compared to other world cultures is found. As the Philippines is one of the less surrounding countries because of a lack of investigation. Thus, this variation makes their family and family members different noteworthy perceptions.

Power Distance: It is the dimension that shows the inequality of powerful people with no power. Hierarchy distribution numbers show a high PDI rate, and moderate people have a low PDI rate. The Philippines lifestyle is mostly a variation in household life. The power distance of the Philippines is high. Within a household, men would constantly be shown more respect and considered more powerful. This distinct divide on the groundwork of gender is customary and expected through all contributors of this culture, such as the less powerful members, in this case. As the United Kingdom sits in the decreasing rankings of PDI, a society that believes that inequalities amongst human beings need to be minimized. Power is decentralized and managers are counted on the ride of their team members. Employees anticipate being consulted. Control is disliked, and the mindset toward managers is casual and on a first title basis. Communication is direct and participative.

Individualism vs Collectivism: Individualism's cultural dimension refers to people who are interested in individuality. These people are focusing on their own goals. In a collectivist culture, people are thinking about the goal of the group. They always think about others.

Filipino culture would be determined as having high power distance, that is, within institutions and organizations power is distributed unequally and this is legitimized through continual practice. On the other hand, the UK scores comparatively great on this dimension, giving the United Kingdom a score of 89, and it is consequently measured as an Individualist society (Munoz et.al, 2005). These resources there is a high favorite for a loosely-knit social outline in which individuals are expected to take care of themselves

Uncertainty Avoidance Different cultural people have different perceptions of uncertainty. A society that is more organized about its laws is high uncertainty avoidance. It creates an uncomfortable situation in an unorganized society. These kinds of people are focused on safety and are scared of risk. On the other hand, Low uncertainty cultural people are exactly the opposite of this category. The United Kingdom is rating 35 in uncertainty avoidance which makes it different from the other European countries (Evans, 2016). Whereas the Philippines has high uncertainty avoidance. That means they are risk-takers. Countries exhibiting excessive Uncertainty Avoidance preserve rigid codes of faith and behavior and are intolerant of unorthodox behavior and ideas.

Long Term Orientation: This cultural dimension refers to how people are connected with their past and dealing with it. In this cultural dimension, the United Kingdom has scored 51, and the Philippines has 27, which all means Filipino have a pragmatic culture (Bagchi et.al, 2004). In this case, it most likely depends on the past and adapting their traditions.

Indulgence: This cultural dimension refers to how people are controlling their own needs and impulse. On the other hand, the dimension which has weak control is called "restraint". In this dimension, the United Kingdom has a 69 score 69, while the Philippines has 42 (Flaming et.al, 2010). Filipino people are more likely to focus on their norms and society's culture.

Masculinity: Compared to the UK and Philippine culture in this dimension, the UK scored 66, and the Philippines has 64. Two countries scored high in this dimension, which means they are mostly focusing on their achievements and success.

Communication barriers and challenges between UK and Philippine

The culture of these two countries also varies in their ways of business communication and business interactions. For this, global organizations like Tesco need to take different approaches to conducting business in these countries. For instance, the communications in Philippine societies, whether internal or external, require to be respective, emotionally attached, hierarchical, and formal with the utmost priority. On the other hand, the societies of the UK or the communications of British societies are more informal, open, and equal opportunities are given to each member of

the meeting. This difference in cultural values requires Tesco to handle their customers, suppliers, and investors in different ways in both the country.

The difference in the language, religion, beliefs, and values between these two countries is a significant determinant of the cultural factors that are affecting the communications procedures of the company with their external communicators (Navarro & McKinnon, 2020). While the European country considers German, French, and Italian as their official languages, with an elaborative focus on the English language. On the other hand, the Philippines has developed its Filipino language and announced it as the official language of the country. Thus, for obvious reasons, the words used as good in British society may have been used as a bad word in Filipino cultures or vice-versa. These differences in the language in use provide a significant barrier for any employees of Tesco to contact or process an external communication from outside of the host country or from the origin to the host country. They need to learn the language or use interpretation. However, the usage of interpreters in a business setting can never be a viable solution in the era when companies are competing to create brand loyalty and maintain a strong relationship with the entire supply, production, and distribution procedure. However, the religious beliefs of both countries are significantly different from one another. Which has helped the countries to form different food, drink, and cultural habits. However, the majority of the Philippine people are Christian, whereas the majority of British people follow the religion of Christianity. No affiliation to any religious belief by the majority of its population may seem obscure in the first place, but it is a factor that needed to be dealt with by the British people of Tesco to effectively respect and value the collective faith of the country and make advertisement, billboards or any other activities that would qualify as a component of the external communication procedure for the company at the host country while respecting the religious belief and the cultural values of the government of the origin.

Cultural sensitivity

When a company with swift growth expands its activities into more profitable foreign markets, it is known as global expansion. These companies will introduce its product to new customers and countries that they find more exciting and challenging. Global growth has some advantages and disadvantages. Different countries have different cultures. Every country has some cultural issues.

Tesco is the leading retail store in the World. If they want to expand their business in the Philippines, it is not easy to build a business (Kawaguchi-Suzuki et. al, 2019). The Philippines is a state in Asia. In Asia, the image of their business is not so good. The Philippines is a developing country. Till the global expansion, Tesco should know the Filipino culture, people, consumer behaviour, business ethics, and labour rights and conditions. Tesco should change its marketing and advertising strategies to build its business in the Philippines.

Communication strategies and recommendation

Culture is one of the most important aspects that influence consumer behavior in decision-making. Tesco is originally from the United Kingdom, which is its home country, and if it operates in the Philippines, it would be its host country. Both countries hold different cultures. So it will change their behavior towards the brand. Belief, norms, ethics and values, religion, and language are some of the cultural factors. Both countries have different cultural values, so it impacts consumer behavior. Filipino people always prefer their customs and traditions first over any other cultural norms. So Tesco would always put their tradition and custom in outlets. They knew that it would make a great impact on Filipino consumers. Consumers love a brand when they see their culture is practiced by the brand (Dayrit et.al, 2020). Tesco will successfully run its business in the Philippines by maintaining its beliefs, norms, and overall culture. As the UK is their home country, Tesco doesn't have to do anything with the language. Filipino people love their values, norms, and cultural heritage. So, Tesco in the Philippines should follow its norms. To make them believe that this brand is best suited for their country's culture and the country, they need to get used to their culture.

Conclusion

Tesco is the name of a British multinational retail store. It is a well-renowned brand. Tesco put their footstep in 12 countries. With these expansions, we can easily believe how popular it is. They are more popular because of their different products. Tesco has huge popularity in the UK. They have 795 outlets in the UK. But it still faces some barriers from its competitors like ASDA. Every single day they try to build up their marketing strategy. If Tesco Open its new outlet in the Philippines, it will be more popular as they are very much needed for authentic products and services. They have a loyal customer base. As Tesco is the first choice of the people and their loyalty is so high, they can easily grab new customers' minds. In a time of buying Tesco products, people don't think about their quality rather, and they can buy them. Because they have a mindset about it, Tesco is the best multinational company day by day, and they try to build up their quality.

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