

CULTURAL ANALYSIS AND RECOMMENDATIONS FOR GREGGS' EXPANSION INTO GERMANY

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INTRODUCTION

► MISSION

Our mission is to serve our customers with high-quality, freshly prepared food at affordable prices. We aim to make our customers' lives easier and more convenient by offering a wide range of delicious and convenient food options. We are committed to delivering great tasting, freshly baked goods, sandwiches, and drinks, served in a friendly and welcoming environment. Our success is built on the dedication and hard work of our people.

<https://corporate.greggs.co.uk/about-us>

► VISION

"To be the customers' favourite for food-on-the-go."



DIFFERENCES BETWEEN UK AND GERMANY CULTURE

UK

- ▶ Demographic Management
- ▶ Emphasizing on individual Achievement
- ▶ Reservation to Change
- ▶ Concentrated on Work Life Balance
- ▶ Relax & Comfort with Situation

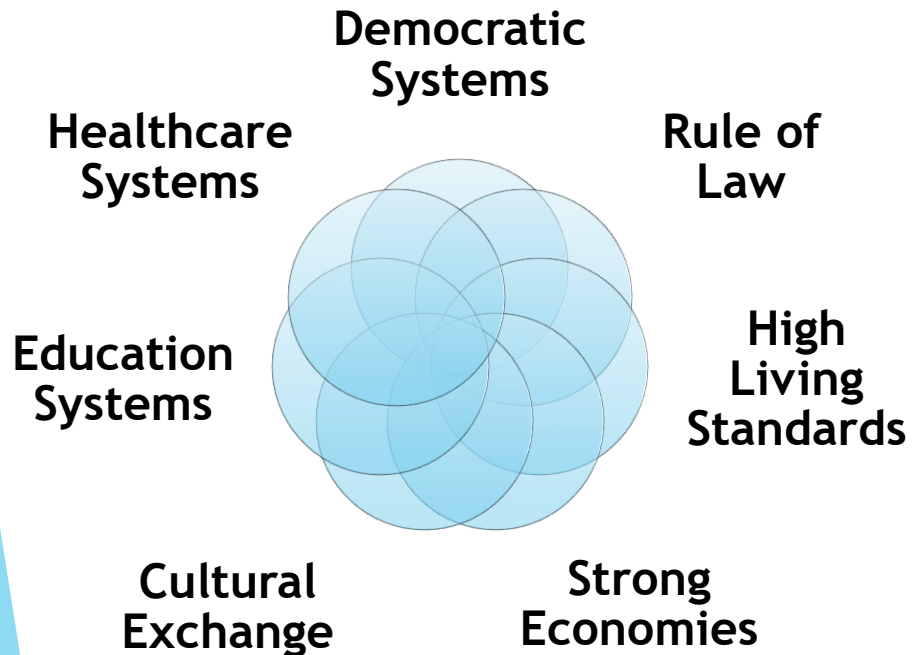
GERMANY

- ▶ Rule Based Management
- ▶ Emphasizing on Group Achievement
- ▶ Open to Change
- ▶ Stressing on Work
- ▶ Precise & Technological Oriented

<https://www.quora.com/>

Silvestre, P. et al. (2020).

MAIN SIMILARITIES BETWEEN UK AND GERMANY



<https://www.ipl.org/essay/>



SUCCESS AND FAILURE FACTORS

SUCCESS

- ▶ Local Partnerships
- ▶ Quality and Consistency
- ▶ Competitive Pricing
- ▶ Regulatory Compliance
- ▶ Location Selection
- ▶ Marketing and Promotion

FAILURE

- ▶ Poor Quality Control
- ▶ Ignoring Competition
- ▶ Cultural Misunderstandings
- ▶ Overpricing or Under-pricing
- ▶ Ineffective Marketing
- ▶ Staffing Issues

https://www.centuroglobal.com/blog/expanding_your_business_from_the_uk_to_germany/

CULTURAL SENSITIVITY

UK

**Respect for the
Monarchy**

Tea Culture

**Respecting
Personal Space**

<https://intadvice.southwales.ac.uk/>

GERMANY

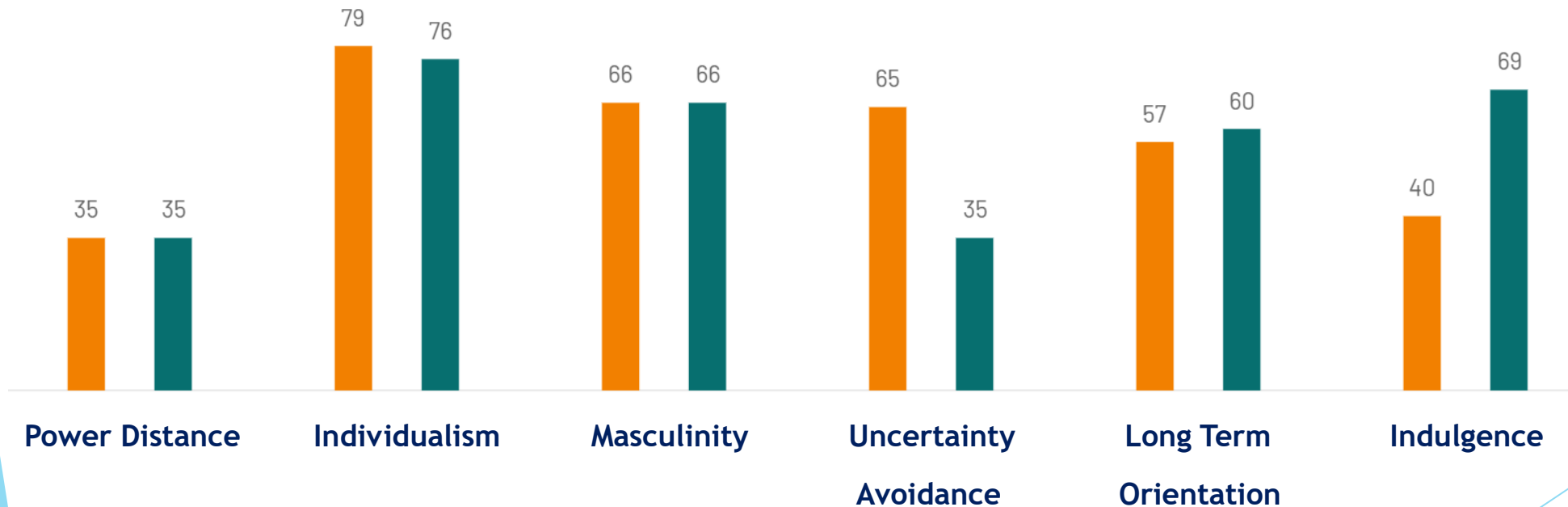
**Greeting
Etiquette**

Punctuality

**Direct
Communication**

<https://culturalatlas.sbs.com.au/>

HOFSTEDE'S CULTURAL DIMENSIONS



POWER DISTANCE

UK: The UK tends to have a relatively low power distance culture, meaning that there is a preference for flatter hierarchies and less emphasis on formal authority.

Germany: Germany also has a relatively low power distance culture, favouring equality and open communication within organizations.



INDIVIDUALISM VS. COLLECTIVISM



UK: The UK is generally considered an individualistic culture, emphasizing personal freedom, individual rights, and self-expression.

Germany: Germany also leans toward individualism, but it has a stronger collectivist aspect, especially in familial and social relationships.

Hofstede, G. (2011).

<https://toppandigital.com/>

MASCULINITY VS. FEMININITY

UK: The UK tends to exhibit a moderate level of masculinity, with a balance between competitiveness and caring for others.

Germany: Germany is often seen as having a more masculine culture, emphasizing achievement, ambition, and assertiveness.

UNCERTAINTY AVOIDANCE



UK: The UK has a relatively low uncertainty avoidance culture, which means it is generally more comfortable with ambiguity and risk.

Germany: Germany has a moderate level of uncertainty avoidance, showing a preference for clear rules and structured environments but with some willingness to accept uncertainty.

Hofstede, G. (2011).

<https://toppandigital.com/>

LONG TERM



SHORT TERM

ORIENTATION

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Both the UK and Germany are considered to have relatively short-term orientation cultures. They often focus on the present and immediate results rather than long-term planning.

Example: Greggs could choose to source ingredients from suppliers who use sustainable farming practices and ethical sourcing methods. By doing so, Greggs not only ensures the quality of its products but also contributes to long-term environmental sustainability.

<https://toppandigital.com/>

Hofstede, G. (2011).

INDULGENCE VS. RESTRAINT

Both countries exhibit a tendency toward indulgence cultures, which means there is a greater acceptance of gratification of basic human desires and more focus on enjoyment and leisure



<https://toppandigital.com/>



Hofstede, G. (2011).

RECOMMENDATIONS

Thorough Market Research-Conduct thorough market research to understand German consumers' preferences, tastes, and dietary habits.

Localization of Products-Consider incorporating traditional German baked goods alongside Greggs' signature items

Store Location Selection-Choose strategic locations for your stores, focusing on high-traffic areas in urban centres and near transportation hubs.

Cultural Sensitivity-Understand and respect local customs and etiquette.

Supply Chain and Sourcing-Establish a reliable supply chain network in Germany to ensure consistent and timely deliveries of fresh products

Legal and Regulatory Compliance-Ensure compliance with EU regulations, where applicable

Local Partnerships-Collaborate with local suppliers, distributors, or partners who understand the German market

Marketing and Branding-Develop a marketing strategy that resonates with German consumers

Employee Training-Invest in training for German staff members to ensure they understand Greggs' values, customer service standards, and product quality

Quality Control-Maintain the same high-quality standards that Greggs is known for in the UK

Pricing Strategy-Consider local pricing norms and cost structures

Community Engagement-Engage with the local community through charitable initiatives or community events

Feedback Mechanism-Establish a system for gathering customer feedback and act on it

Flexibility and Adaptability-Be prepared to adapt your strategies based on feedback and market developments

Long-Term Vision-Approach the German market with a long-term perspective

Risk Assessment-Identify potential risks and challenges associated with the expansion and develop contingency plans to address them

CONCLUSION

In conclusion, this presentation has highlighted crucial aspects for Greggs' potential expansion into Germany, emphasizing the importance of cultural understanding for a successful venture. Cultural understanding is a necessity for Greggs' successful expansion into Germany. By embracing cultural differences, respecting local norms, and maintaining the company's core values, Greggs can unlock the immense potential of the German market and establish a thriving management office that contributes to the company's global growth. Open communication and an unwavering commitment to cultural sensitivity will be the pillars of this successful endeavour.



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- ▶ Silvestre, P. et al. (2020). Managing People in Luxembourg: Communicating and Succeeding across Cultures. Luxembourg: Ecodit.

ANY QUESTIONS

