



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

ASSIGNMENT -1

MODULE AND CODE:

INTERNATIONAL BUSINESS CONCEPTS (LCMB7034)

NAME AND STUDENTS ID:

MD MAHBUB MIAH (2408665)

MODULE LEADER:

CHUNG LAI JOHNNY WAN

PROGRAMME:

MASTER OF BUSINESS ADMINISTRATION

UNIVERSITY OF WALES TRINITY SAINT DAVID

Table of Contents

1. Introduction	4
2. Benefits and Challenges of International Operations	5
Unilever plc as an MNC	5
Nature of Global Operations — Value Chain Perspective	5
Research and Development (R&D).....	6
Sourcing and Procurement	6
Production and Manufacturing	6
Marketing and Sales	6
Finance and Governance	6
Market Entry Modes.....	7
Benefits of International Operations.....	8
Challenges of International Operations.....	9
3. OLI (Ownership–Location–Internalisation) Analysis	11
3. OLI (Ownership–Location–Internalisation) Analysis	11
Theoretical Overview	11
Application to Unilever India.....	12
Synthesis	14
Cultural Differences and Their Impact.....	15
Conceptual Foundation.....	15
Hofstede Comparative Analysis — United Kingdom vs India (with Scores).....	15
Cultural Impacts on Market Entry and Organisational Strategy	17
Leadership and Management Styles.....	17
Human Resource Practices	17
Marketing and Consumer Behaviour.....	17
Product Design and Innovation	17

Corporate Social Responsibility (CSR)	18
Application of Trompenaars' and Hall's Frameworks.....	18
Trompenaars' Seven Dimensions	18
Hall's High- and Low-Context Theory.....	19
Strategic Implications for Unilever.....	19
SOP Adjustments and Recommendations	20
Purpose	20
SOP Adjustment 1: Leadership and HR Localisation.....	20
SOP Adjustment 2: Sustainable Supply-Chain Optimisation	22
Rationale	22
Recommended Adjustments	22
SOP Adjustment 3: Market-Specific Product Innovation and Marketing	23
Rationale	23
Recommended Adjustments	23
Theoretical Integration and Strategic Justification	24
Implementation Considerations	25
Evaluation of Expected Impact.	25
6. Conclusion	27
Reference.....	28

1. Introduction

Unilever plc is a multinational corporation (MNC) that is based in the United Kingdom and has a presence in over 190 countries. and is globally known because of the diversification of its portfolio in food, home, and personal-care products. This report reviews the international operations of Unilever with a specific interest in this subsidiary, Hindustan Unilever Limited (HUL), which is the extensive interactions of this firm in the emerging Indian economy (HUL Annual Report, 2024). The paper measures the global value-chain system, market-entry policies and problems in Unilever based on the OLI (Ownership-Location-Internalisation) theory by Dunning (Bellaaj, 2021). It also examines the cultural factors between the United Kingdom and India and gives recommendations on Standard Operating Procedure (SOP) changes that would promote the sustainable success of Unilever in this industry.

2. Benefits and Challenges of International Operations

Unilever plc as an MNC

A multinational corporation (MNC) owns or controls income-generating assets in a foreign country and makes decisions centrally (Dunning, 1993). MNCs may internalise cross-border operations because they hold brand equity, technology, and management skills. They use subsidiaries or affiliates to guarantee global integration, local responsiveness, and strategic control at home (Coche, Kolk and Ocelík, 2024). MNCs like Unilever plc fit this criterion. The London-based corporation operates in over 190 countries via regional branches (Curran, Eckhardt and Lee, 2021). Central governance and strategy provide brand consistency, worldwide ethical standards, and financial control. Unilever gives its local organisation divisions operational flexibility to react to local market and cultural circumstances. One example is Hindustan Unilever Limited (HUL), a subsidiary with a 61% controlling stake, which distributes and sells its own goods while connected with Unilever's worldwide sustainability and product-innovation initiatives (Bellaaj, 2021). Modern MNCs have a substantial local adaptation in their home-country control model. This hybrid structure lets Unilever achieve global economies of scale without ignoring local customer desires and regulations. Thus, Unilever's organisational structure, ownership pattern, and strategic coordination match the theoretical and practical qualities of a global organisation, as identified by the top international business researchers.

Nature of Global Operations — Value Chain Perspective

An analysis of the international operations of Unilever can be systematised by Porter's Value Chain Model (1985), which explains the way in which organisations develop competitive advantage through the coordination of primary and support activities through global networks (İpek, 2021). According to Unilever Annual Report (2025), the value-chain structure of Unilever unveils a deep penetration of the central London headquarters and a large number of regional subsidiaries, thus the firm can exploit economies of scale as well as customizing operations to the local market circumstances, especially in India.

Research and Development (R&D)

In the United Kingdom, the Netherlands, Singapore and India, Unilever has innovation hubs that have focused on sustainable product development and cost-effective technologies. Its R&D strategy represents the advantage of ownership by a multinational corporation as it uses proprietary knowledge and spreads innovations across the global environment (Doh, Budhwar and Wood, 2021). India Local labs in Mumbai and Bengaluru reformulate their products to suit local requirements, such as climate-resistant laundry products and products that save water in hygiene products.

Sourcing and Procurement

This corporation adopts a responsible sourcing policy on a global scale, which offers global ethical relationships with suppliers and resilience of the supply chains. According to the HUL Annual Report (2024), Hindustan Unilever Limited (HUL) has an effective localisation approach of over 90% raw materials, indicating a strong location advantage, as it minimises transaction costs and enhances the location advantage of Unilever (Reckendrees, Gehlen and Marx, 2022).

Production and Manufacturing

Unilever has over 300 manufacturing plants worldwide, which is why it strikes a balance between central control and local independence (Doh *et al.*, 2023). In India, it has over 30 plants with a population of about 18,000 employees, thus realising economies of scale and national employment and community development goals.

Marketing and Sales

According to Unilever Plc (2025a), the Unilever approach of glocalisation is a combination of the global brand image and the local culture. Dove, Surf Excel, and Lifebuoy are marketed by culturally oriented advertising campaigns in various Indian languages and are available over the Project Shakti rural network, an innovative initiative that gives women businesspersons the power in 700,000 villages (Cavusgil, 2021).

Finance and Governance

The company has a centralised structure to its financial operations, with the London headquarters, thus providing a consistent allocation of capital, risks, and reporting (Ari Van Assche and Valentina De Marchi, 2024). However, Hindustan Unilever Limited,

which is a publicly traded company on Indian stock exchanges, exhibits partial localisation, which increases responsibility towards local investors and regulators (HUL Annual Report, 2024).

Market Entry Modes

Market entry modes are institutional arrangements via which a corporation enters and operates in a foreign market, according to Root (1994). Ownership advantages, host country variables, and corporate risk and control impact the choice. International strategy determines how a multinational organisation distributes resources and maintains control across borders, including the market entrance method.

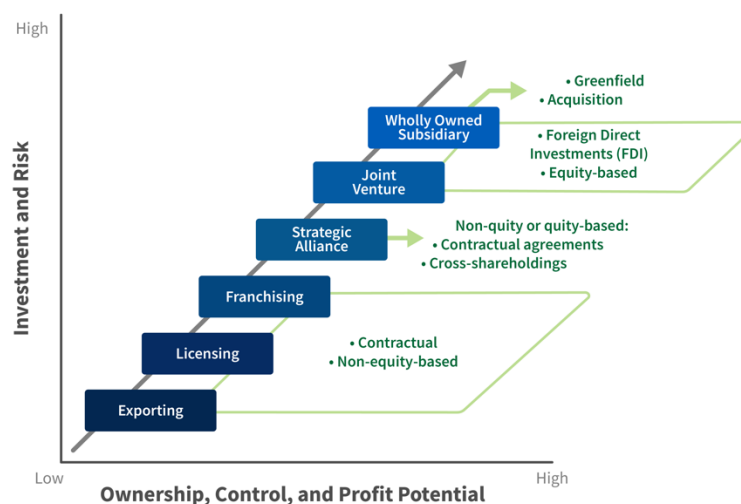


Figure 1: International Market Entry Modes

Source: (Brammer, Nardella and Surdu, 2021)

In internationalisation, Unilever plc has used numerous entry modes, each with strategic goals and environmental considerations. The most famous option is the totally owned subsidiary, which offers full equity and operational control. India Hindustan Unilever Limited (HUL) allows direct manufacturing, branding, and ethical oversight (Brammer, Nardella and Surdu, 2021). These businesses allow Unilever to maintain brand identity, quality assurance, and sustainability while adapting goods to local tastes. Unilever previously formed joint ventures with local firms in China due to restrictions. As Unilever sought greater autonomy and homogeneity in its worldwide

portfolio, these companies were abandoned despite their market access and knowledge transfer.

Also, mergers and acquisitions (M&A) have been used to enter markets quickly and consolidate them. Unilever expanded its health and nutrition footprint with the 2020 purchase of GSK Consumer Healthcare India, demonstrating how M&A diversifies and synergises markets (Brammer, Nardella and Surdu, 2021). In the food and beverage sector, where local production concurrences offer the least strategic dependence, licensing and franchising have been used sparingly.

Unilever prefers the totally owned subsidiary entry route for strategic control, intellectual property protection, and ownership advantages internalisation (Peter, Pradhan and Mbohwa, 2023). This strategy, like Dunning's OLI framework, maximises Unilever's proprietary advantage, capitalises on India's location benefits, and maintains brand consistency by direct managerial control to maintain global leadership as a multinational corporation.

Benefits of International Operations

International operations provide Unilever with several strategic advantages that boost its competitiveness and sustainability goals. The company benefits from economies of size and scope, market diversity, and innovation transfer across subsidiaries due to its well-coordinated global structure.

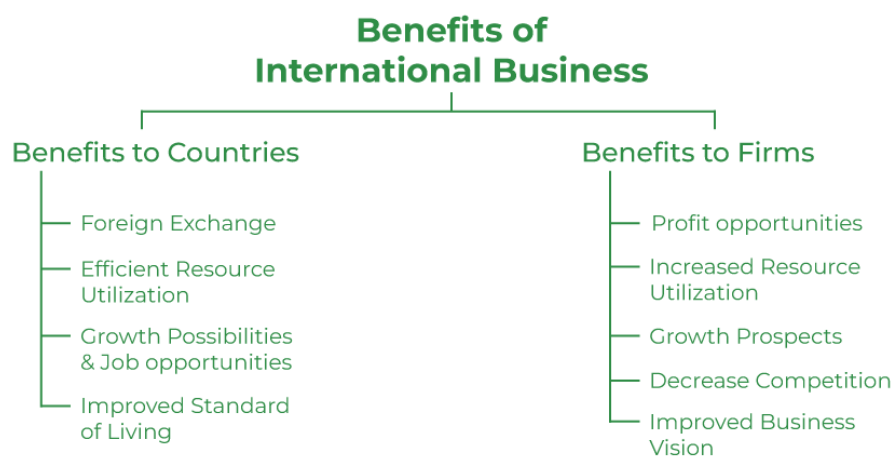


Figure 2: Benefits of International Operations

Source: (Cumming *et al.*, 2023)

One of the biggest benefits is economies of scale. Over 190 nations allow Unilever to standardise manufacturing and centralise procurement, lowering per-unit costs and increasing efficiency. Shared logistics, advertising, and research frameworks provide economies of scale in personal care, food, and home cleaning goods using knowledge and infrastructure (Cumming *et al.*, 2023). Second, market diversity reduces regional and economic risks. It has a potential to counteract the slowdown in consumer spending in developed countries by the emerging markets which are primarily in Asia and Africa. Such a worldwide distribution helps to hedge Unilever against cases of currency devaluation and political instability. By entering new countries, Unilever can get stable revenues as India can contribute approximately 15% to its global turnover (Clegg, 2019).

The internationality of Unilever disseminates information and innovativeness. Such original concepts as ecological packaging or affordable products are implemented globally. This company has integrated R&D and digital platforms to make products faster in developing and also to exchange best practices across subsidiaries, establishing a self-reinforcing learning network. Competitiveness is enhanced by international brand equity (Dana *et al.*, 2022). Unilever has a strong presence in its global market with Dove, Lifebuoy, Surf excuse, and Knorr, among other products, having culturally isolated adaptations that render the products relevant. This enhances brand loyalty in the less developed nations, where brand loyalty is one of the major purchasing conditions.

Challenges of International Operations



Figure 3: Challenges of International Operations

Source: (Sinkovics, Vieira and van Tulder, 2022)

Global presence also has strategic benefits to Unilever, but it gets them into a state of addressing complicated and dynamic issues that require cyclical management. One of the biggest issues is cultural differences and the diversity of customers. The Unilever Company has to balance its global brand image with the local values, lifestyle, and consumption trends in more than 190 countries. In India, the product adoption depends on affordability and cultural compatibility, whereas sustainability and quality are essential in the Western markets. This is a long-term problem of multinational firms as they have to manage such a balance without losing global brand coherence (Sinkovics, Vieira and van Tulder, 2022). Another big problem is the complex political and regulatory problems. The host countries have foreign-direct-investment (FDI) regulations, taxes on imports, and taxation which increase operational uncertainty and compliance expenses. Because of the legislation, frequent changes and regulatory challenges, the product approvals in India may require a considerable amount of time or disruption of the supply-chain operations, limiting the strategic agility. Unilever must manage high levels of ethical, environmental problems (Saittakari et al., 2023). The international nature of the company has brought into question sourcing practices, water use and plastic waste. Stakeholders should be strictly followed to facilitate the adoption of sustainability through different regimes of corporate sustainability. Exchange-rate volatility and supply-chain issues are significant financial and operational problems. Exchange rates can influence the profit repatriation and the price of inputs, whereas a worldwide crisis like the one caused by COVID-19 can interfere with logistics and delivery of goods (in particular in developing countries with poor infrastructure).

Lastly, the rivalry between the brands of consumer goods is a negative influence on Unilever. Indian firms like ITC and Patanjali use their cultural savvy, pricing manoeuvrability, and nationalistic feeling to inspire Unilever to be more innovative and local in their products (Raneses et al., 2022). These issues explain the increased global competition and the need for a strong strategic decision-making model. The multinational company Unilever utilises the Ownership-Location-Internalisation (OLI) framework to make the most of entering the market and distributing resources in a diversified environment.

3. OLI (Ownership–Location–Internalisation) Analysis

3. OLI (Ownership–Location–Internalisation) Analysis

Theoretical Overview

The most effective theoretical framework in the examination of the behaviour of multinational enterprises is the Eclectic Paradigm, having been initially defined by John Dunning in 1988 and commonly known as the OLI framework. This framework argues that companies with Ownership (O), Location (L), and Internalisation (I) advantages tend to outsource production to a foreign country (Witt et al., 2023). The above dimensions of resources then define patterns of internationalisation and the particular activity and place to which the firm chooses.

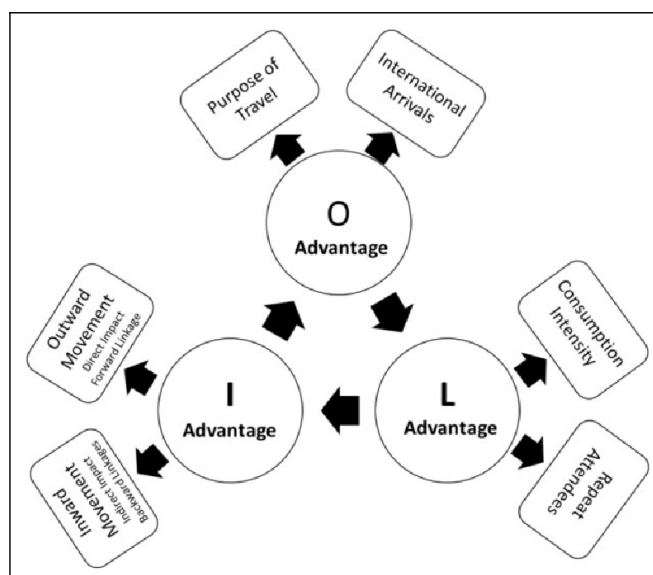


Figure 4: OLI (Ownership–Location–Internalisation)

Source: (Menzies, 2024)

The benefits of ownership (O), such as proprietary technology, management experience, and brand name, give the firms a competitive advantage in international markets. Location factors (L) refer to the size of the market, labour costs or institutional features that host countries have, which make them attractive locations to invest in (Menzies, 2024). Internalisation benefits (I) enable a corporation to save transaction costs, maintain intellectual property, and enhance product quality by conducting operations internally as opposed to contracting in the market.

Hymer (1960)'s focus on firm-specific advantages, Buckley and Casson (1976)'s internalisation theory of internationalisation, and Vernon (1966)'s product-life-cycle

paradigm are incorporated into the OLI paradigm. According to Unilever Plc (2025b), it shows in several dimensions why corporations like Unilever favour FDI over exporting or licensing for highly intangible resources. The strategic level of the OLI model is connected to the resource-based concept, which emphasises mobilising internal resources in key locations to achieve sustained competitiveness.

Application to Unilever India

According to the HUL Annual Report (2024), HUL, a long-standing Unilever plc in India, is an example of the OLI framework in practice. Since its 1933 Indian operations, Unilever has capitalised on its ownership, geography, and internalisation advantages to create one of the most successful FMCG businesses in the world.

Ownership Advantages (O)

Unilever's worldwide brand portfolio and quality appreciation are its major advantages. The corporation enjoys worldwide customer trust and brand equity because of its popular brands, including Dove, Lifebuoy, Knorr, and Surf Excel (Unilever Annual Report, 2025). These resources create intangible entry barriers that enable premium pricing and client retention.

Ownership assets include Unilever's unique formulations and marketing skills. The UK and Netherlands research and development centres produce new products, including a dermatologically tested biodegradable pack that is customised for the local market (Anand *et al.*, 2021). Global branding and cultural localisation help the organisation access multiple customer groups with improved marketing.

Unilever's finances and management give it ownership power. Unilever is among the large FMCG firms, and its financial base is global, and the managerial infrastructure is outstanding. Such resources enable it to overcome shocks in the market, acquisitions, and good corporate governance across its subsidiaries (Bouguerra *et al.*, 2023). It has a business model that is built around sustainability, as demonstrated in the Unilever Sustainable Living Plan, which has a reputational advantage in that it integrates profit and social responsibility, which is a major differentiator in a new market such as India.

Location Advantages (L)

The market, economic, and institutional location advantages are rapidly enhancing the growth of Unilever in India. The population of 1.41 billion people in India is a huge

consumer market because of increased disposable income and urbanisation (Arikan and Shenkar, 2021). The increasing affluence of the middle class is the source of the branded goods demand, and the company can focus on the low prices and large-quantity product lines as the consumers of the low-income rural population are the cornerstone of the market (Bellaaj, 2021). The low cost of operating large-scale operations can be attributed to the low cost of manpower and the costs of manufacturing at Unilever. The use of a limited supplier network through a large network of supplier's aids in reducing the levels of reliance on imports and enhances the resiliency of the supply chain. The location of India assists Unilever in exporting products to the South Asian region, which increases its presence in these regions. In India, there has been liberalisation of FDI restrictions, and measures have been taken to tighten corporate governance to facilitate international investment. According to the HUL Annual Report (2024), the regulations permit Unilever to own a controlling equity interest (approximately 61%) in HUL, which does not affect the strategic independence but complies with ownership regulations in host countries. Another logistical advantage is that rural and urban India have good distribution channels. Location-specific resources enhance access and market penetration, as displayed by Unilever Project Shakti and the involvement of local stores (Ari Van Assche and Valentina De Marchi, 2024).

Internalisation Advantages (I)

Unilever is interested in pursuing its business in the country through fully owned entities such as HUL, which enhances internalisation. To ensure product quality and corporate ideals, it is necessary to have a first-hand control of the production, branding, and distribution (Coche, Kolk and Ocelik, 2024). The strategy also secures against the duplication or theft of the exclusive knowledge and technology of Unilever through licensing or franchising (Unilever Annual Report, 2025). The internalisation activities lower transaction and coordination costs of Unilever in outsourcing or joint ventures. This autonomy helps to make decisions more quickly and respond to customer feedback, regulatory adjustments, and market shifts more quickly (Anand et al., 2021). Internal systems such as global digital supply systems and integrated financial reporting enhance efficiency and real-time monitoring in subsidiaries. The benefits of internalisation are increased branding, quality and ethics, especially in markets where quality and safety of products are critical concerns of customer trust.

Internalisation would suit the global goal of Unilever to render sustainable living a standard practice, as its subsidiaries would share the same level of environmental and social governance needs (Curran, Eckhardt and Lee, 2021).

Synthesis

The three aspects of the OLI model describe Unilever's strategic performance in India. Some of the firm's competitive resources for globalisation include its enormous brand portfolio, excellent innovation capacity, immense financial capacities, and recognised sustainability leadership. Positive location characteristics like India's huge customer base, modest resource endowments, and favourable policy settings enable these resources to be used successfully (Arikan and Shenkar, 2021). Internalisation helps Unilever retain control, preserve intellectual property, uphold global ideals, and adapt to local markets. This strategic structure explains why Unilever selected a wholly owned subsidiary entrance into India. Wholesale ownership of HUL allows managers the power to combine global strategy with local adaptability, a key to brand equity and profitability (Cumming *et al.*, 2023). Thus, Unilever's long-term dominance in the Indian FMCG business depends on OLI's three components.

Strategically, Unilever's India operations follow Bartlett and Ghoshal's (1989) transnational approach to balance global efficiency with local responsiveness (Peter, Pradhan and Mbohwa, 2023). Centralised research and development, financing, and corporate governance (global integration) and decentralised marketing, product creation, and sourcing (local adaptation) allow Unilever to have scale economies and cultural resonance.

The Indian subsidiary, which generates roughly 15% of worldwide sales, shows that OLI's advantages assist in preserving competitive advantage over time. Unilever implements the eclectic paradigm in an emerging-market setting by maintaining strategy coherence by aligning its ownership capabilities with the Indian potential and internalising large businesses (Doh, Budhwar and Wood, 2021). The OLI study demonstrates that Unilever is a carefully planned procedural step with theoretical reasons, not an internationalisation endeavour. Its extensive track record shows that ownership, location, and internalisation may help a multinational firm prosper amid global competitiveness, institutional complexity, and cultural diversity.

Cultural Differences and Their Impact

Conceptual Foundation

Culture affects international business strategy in communication, negotiation, leadership, and customer behaviour. Hofstede (1980; 2010) defined culture as a mental training that distinguishes one group from another. The cultural gap between India and the UK affects market access, organisational integration, and performance for multinational corporations like Unilever plc (Reckendrees, Gehlen and Marx, 2022). This section employs Hofstede's Six Cultural Dimensions, Trompenaars' Seven-Dimension Model, and Hall's High-Low Context Communication Theory to compare these distinctions. These models show how Unilever has balanced its British organisational culture with India's sociocultural milieu via purposeful localisation of leadership, communication, and marketing activities.

Hofstede Comparative Analysis — United Kingdom vs India (with Scores)

Cultural Dimension	United Kingdom (Score)	India (Score)	Strategic Implication for Unilever
Power Distance (PDI)	35 – Low	77 – High	High hierarchy in India requires visible leadership and respect for authority within Hindustan Unilever (Doh <i>et al.</i> , 2023).
Individualism (IDV)	89 – Very High	48 – Moderate	India's collectivist culture demands community-oriented branding and team-based HR practices.
Masculinity (MAS)	66 – Moderate-High	56 – Moderate-High	Both value success; Unilever can promote aspirational yet socially responsible campaigns (Clegg, 2019).
Uncertainty Avoidance (UAI)	35 – Low	40 – Moderate	Low avoidance allows flexibility, but Indian consumers prefer proven, trustworthy brands.

Long-Term Orientation (LTO)	51 – Moderate	61 – High	India's long-term outlook supports Unilever's sustainability and social impact initiatives (Brammer, Nardella and Surdu, 2021).
Indulgence (IVR)	69 – High	26 – Low	India's restrained consumption supports Unilever's affordable, practical product strategies (Rañeses <i>et al.</i> , 2022).



Figure 5: Hofstede model for the UK and India

Source: (Dana *et al.*, 2022)

Interpretation

The gap between the Power Distance (UK 35 and India 77) of 42 points requires the management hierarchy to be localised (Dana *et al.*, 2022). The Indian leadership model adopted by HUL gives power to be revered and compatible with the parent firm's governance.

The 41-point score Individualism gap also requires branding and participatory HR systems that are community-based instead of the autonomy-based models that prevail

in the UK. There are minor differences between Masculinity and Uncertainty Avoidance scores, although they are quite similar, so that Unilever would be more inclined to depend on the quality that can be trusted and aims at the more aspirational success (Witt *et al.*, 2023). The most intense behavioural difference (69 vs 26) gives rise to the fact that the portfolio of Unilever in India is focused on the everyday value-based products, including shampoo sachets and low-price hygiene items, and not luxuries.

Cultural Impacts on Market Entry and Organisational Strategy

Leadership and Management Styles

The U.K. emphasises democratic and egalitarian leadership, whereas Indian corporations value hierarchy and a clear chain of command. Hindustan Unilever Limited's senior management has been decentralised to allow Indian managers to make choices while maintaining strategic guidance from London to reconcile these opposing demands (Coche, Kolk and Ocelík, 2024). This concession builds trust, decreases communication hurdles, and maintains cultural validity.

Human Resource Practices

Unilever of India's HR approach emphasises community and interaction. Measurements of performance include mentoring, commitment, and teamwork (Menzies, 2024). Expatriates get cross-cultural training on indirect communication and hierarchy, aligning global HR norms with local ones.

Marketing and Consumer Behaviour

Indian consumers' socially oriented buying is influenced by family, religion, and locality. The Lifebuoy hand washing awareness campaign, Surf Excel, and Dirt is Good campaigns by Unilever use moral and emotional storylines to promote the common good and parental responsibility (İpek, 2021). However, UK advertising emphasises uniqueness and self-confidence. This two-fold orientation shows Unilever's ability to blend global uniformity with local relevance.

Product Design and Innovation

The demand for small and affordable solutions has been created by the socio-economic diversity in India. Unilever was the first to market in sachets, thus making it

accessible to lower-income customers and still making profits (Sinkovics, Vieira and van Tulder, 2022). This kind of localisation indicates a perception of collectivist consumption behaviour and bashful spending behaviour of a low indulgence score in India.

Corporate Social Responsibility (CSR)

The social initiatives of Unilever are also affected by the cultural alignment. The collectivist culture and emphasis on empowerment via community can be seen in Project Shakti, which educates rural women as micro-enterprisers (Saittakari *et al.*, 2023). The association of business expansion with social impact enhances the cultural legitimacy and long-term brand equity in Unilever.

Application of Trompenaars' and Hall's Frameworks

Trompenaars' Seven Dimensions

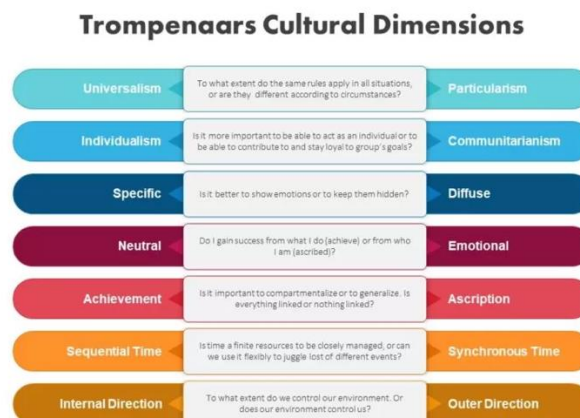


Figure 6: Trompenaars' Seven Dimensions

Source: (Bouguerra *et al.*, 2023)

Trompenaars (1993) complements Hofstede by emphasising connections and communication. Compared to India, which is particularistic and values situational judgement and relationships, the UK has strong Universalism and prefers rigid norms (Bouguerra *et al.*, 2023). Unilever values trust above contractual compliance and builds long-term partnerships with suppliers and the Indian government. In Achievement vs Ascription, the UK rewards merit and competence, while India respects age and rank (Cavusgil, 2021). The Unilever Indian management structure

blends meritocracy with hierarchical respect to achieve unity without compromising performance.

Hall's High- and Low-Context Theory

High-Context versus Low-Context Cultures

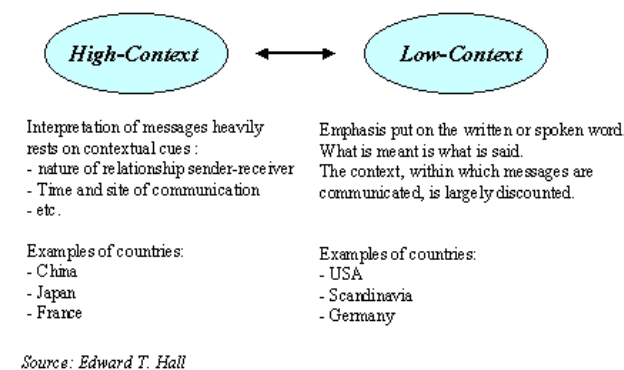


Figure 7: Hall's High- and Low-Context Theory

Source: (Coche, Kolk and Ocelík, 2024)

Hall (1976) distinguishes low-context cultures (UK, unambiguous meaning) from high-context cultures (implicit, relational, uncertain meaning) (Coche, Kolk and Ocelík, 2024). Unilever India emphasises connection development and symbolic communication in internal coordination and advertising, recognising this duality. Unlike the UK's straightforward, message-based strategy, campaigns are visual and emotive.

Strategic Implications for Unilever

The cross-cultural analysis explains five major implications for the continued success of Unilever in India:

- **Leadership Localisation** – High Power Distance requires empowering the Indian leaders and lessening the expatriate dependency with the purpose of responsiveness and cultural authenticity.
- **Communication Adaptation** – The communication norms of the high context environment demand relational communication and implicit messages in marketing and negotiation (Curran, Eckhardt and Lee, 2021).
- **Brand Positioning** – Campaigns need to incorporate collectivist values, i.e. family, social responsibility and moral virtue and not individualism.

- **Product Strategy** – Product Strategy Affordability and practicality are indicative of reserved consumption habits (low Indulgence) (İpek, 2021).
- **CSR Integration** – Programs that encourage education, hygiene, and women's empowerment appeal a great deal to the communal inclination of the Indians, hence increasing legitimacy and trust.

Through these strategic reactions, the cultural awareness within Unilever has been turned into a competitive asset in the firm, matching the corporate agenda with the local expectations without compromising global integrity (Arikan and Shenkar, 2021).

SOP Adjustments and Recommendations

Purpose

Unilever's internationalisation based on the OLI framework and how it responded to cultural variations between the UK and India shows that operational flexibility is the only way to succeed in developing markets. Unilever has localised most of its procedures via Hindustan Unilever Limited (HUL), but its Standard Operating Procedures (SOPs) need to be modified to improve market integration, cultural alignment, and volatility-proofing (HUL Annual Report, 2024). This section suggests three major SOP changes: leadership and HR localisation, sustainable supply-chain optimisation, and market-specific innovation and marketing. These changes will align Unilever's global capabilities with India's changing socio-economic environment.

SOP Adjustment 1: Leadership and HR Localisation

Rationale

The Hofstede Power Distance score (77) and Individualism score (48) show that India's organisational culture values hierarchy, relational harmony, and group loyalty. HUL has strong leadership in India, but expatriate control and UK-based performance methods may hinder empowerment and responsiveness (Cumming *et al.*, 2023). Unilever may institutionalise cultural diversity and speed up local difficult decision-making by modifying HR and leadership SOPs.

Recommended Adjustments

Expand Local Leadership Autonomy: Revise SOPs on governance to grant Indian executives more authority in product development, pricing and regional CSR programs (Doh, Budhwar and Wood, 2021). Local managers should be empowered through formal delegation processes to come up with initiatives to a set amount of budget without the clearance of London.

Cultural Integration Training: Implement compulsory cross-cultural management training for expatriates and top Indian managers within the areas of high-context communication, conflict management, and hierarchical sensitivity. This builds trust, creates less friction and synchronises leadership styles (Peter, Pradhan and Mbohwa, 2023).

Talent Development and Succession Planning: Have a structured local leadership succession pipeline planned based on the HUL Future Leaders Programme, which will enable Indian talent to hold strategic positions in the global governance network of Unilever (Dana *et al.*, 2022).

Employee Engagement and Retention Policies: Context-specific employee recognition systems that are based on collectivist motivations, i.e., where recognition is based on the success of a team, the success of a family, and community service. The individual performance indicators should be presented in the context of the SOPs (Dana *et al.*, 2022).

Expected Outcomes

The additional localisation of leadership will increase Unilever's internalisation advantage (according to the model developed by Dunning) by enhancing coordination, responsiveness, and cultural congruence (Dana *et al.*, 2022). It will also reduce the expatriates' dependency, enhance employees' commitment, and ensure that the global strategy is translated into local terms, which is critical to the survival of Unilever's transnational agility in India.

SOP Adjustment 2: Sustainable Supply-Chain Optimisation

Rationale

Gartner has included Unilever on its Master Category list since 2022, along with Amazon, Apple, and Procter & Gamble, due to its sophisticated and robust supply chain (Unilever Annual Report, 2025). This worldwide recognition shows Unilever's excellent logistics governance, transparency, and environmental leadership. To maintain this economic edge in India, infrastructural restrictions, environmental concerns, and localised supply instability must be addressed continuously. This SOP change is evolutionary, not remedial, and consolidates Unilever's leadership by introducing next-generation sustainability and digital innovation practices voice-scaled to India's dynamic environment.

Recommended Adjustments

Enhanced Digital Traceability: Looking into the future, roll out Unilever's global blockchain and analytical systems to the small and medium enterprises and rural suppliers in India. It is making sure they have real-time visibility, ethical accountability, and precision in tracking carbon (Cavusgil, 2021).

Regional Sustainability Partnerships: Standardise sustainability cluster standard operating procedures to work with non-governmental organisations, universities and clean-technology start-ups in co-developing water-saving, waste-cutting and renewable-energy solutions (Doh *et al.*, 2023).

Circular Packaging Leadership: Periodic refresh standard operating procedures. Such that recyclable or reusable packaging has a set of clear milestones by 2030 in response to the Extended Producer Responsibility (EPR) regulations in India. It places Unilever in the vanguard of circularity in fast-moving consumer goods (Brammer, Nardella and Surdu, 2021).

Resilience Intelligence Planning: Substitute the old contingency plans with predictive risk-modelling standard operating procedures and region-specific warehousing policies to alleviate the monsoon shocks, geopolitical shocks, and transport logjams (Reckendrees, Gehlen and Marx, 2022).

Expected Outcomes

Sustainable supply chain optimisation boost's location and internalisation. It lowers transaction costs, environmental risk, and Unilever's brand credibility with authorities and customers (Sinkovics, Vieira and van Tulder, 2022). It also turns Unilever's worldwide environmental duties into context-specific operational rules, helping it dominate the global FMCG sustainability index.

SOP Adjustment 3: Market-Specific Product Innovation and Marketing

Rationale

Unilever already uses strong localisation in India, which is reflected in the invention of sachets and advertising that is culturally oriented. But, a low Indulgence score (26) and a middle Individualism score (48) of India means that consumers are still very value-oriented and socially oriented (Rañeses *et al.*, 2022). Thus, the SOPs need to complement existing practices, not to substitute them by making localisation across the states consistent and scalable.

Recommended Adjustments

Cultural Fit Screening (New Addition)

- Current: Unilever localises many of its campaigns and uses case-by-case judgment.
- Gap: A risk of implementation variability across the 28 states is presented with this method (Saittakari *et al.*, 2023).
- Adjustment: Add a brief Cultural Fit SOP which requires Indian R&D/marketing approval before launching.

Affordable Innovation SOP (New Addition)

- Status: Sachet strategy is a working strategy, but not standardised.
- Gap: No formal structure exists that would regulate future low-income innovations.
- Adjustment: Standardisation of the innovated sachet/value-pack format as the new institutionalised SOP (Menzies, 2024).

Regional Marketing Playbooks (New Addition)

- Status: Unilever informally adjusts adverts to suit festivals and regions.

- Gap: There exists no common Standard Operating Procedure (SOP) in terms of language usage, themes of festivals, or dialect issues.
- Adjustment: Implement structured playbooks in the major regions- North, South, East and West, and make sure that there is consistency and adherence to all marketing activities (Unilever Annual Report, 2025).

Digital–Rural Integration SOP (Enhancement)

Current: Shakti is already strong.

Adjustment: Add SOP for digital training + analytics for ShaktiConnect.

Expected Outcomes

Continues with a uniform localisation, risk in culture is minimised, and enhances leadership of Unilever in India. (Witt *et al.*, 2023). It also increases the responsiveness of Unilever to the different linguistic, economic and cultural segments of India, increasing the consumer loyalty and profitability in the long run (Unilever Annual Report, 2025).

Theoretical Integration and Strategic Justification

Each SOP adjustment aligns with and extends the principles derived from the **OLI paradigm** and the **transnational strategy model**:

SOP Adjustment	OLI Linkage	Strategic Rationale
Leadership & HR Localisation	Internalisation Advantage	Enhances managerial control through cultural alignment and local empowerment (Clegg, 2019)t.
Sustainable Supply Chain Optimisation	Location Advantage	Exploits India's cost efficiencies while addressing environmental challenges (Clegg, 2019).
Product & Marketing Localisation	Ownership Advantage	Leverages Unilever's brand assets and R&D to design culturally resonant innovations.

These SOP revisions follow Bartlett and Ghosal's (1989) Transnational Strategy, which balances global efficiency with local response. They also follow Ghemawat's CAGE Framework (2001) by reducing cultural and administrative barriers between

Unilever's UK headquarters and the Indian market (Bouguerra *et al.*, 2023). The third accommodation would fit Prahalad (2004)'s Bottom of the Pyramid thesis, which emphasises innovation for low-income customers. Through its profitable, scaled and inexpensive goods and rural development projects, Unilever practices corporate responsibility.

Implementation Considerations

These SOP reforms will have to be implemented in a gradual, evidence-based manner to facilitate the feasibility and sustainability. The major recommendations are:

Governance Integration: Create a Sustainability and Localisation Steering Committee in HUL to supervise the implementation of SOP in the company and ensure consistency in divisions (Cavusgil, 2021).

Performance Measurement: Introduce the Key Performance Indicators (KPI), including employee retention, rate of local participation of suppliers, carbon intensity per tonne of production, and growth of rural market penetration.

Training and Knowledge Transfer: Train the operations managers on new SOP modules and implement a digital knowledge-management system that connects both the UK and Indian teams to share best practices (Reckendrees, Gehlen and Marx, 2022).

Risk Mitigation: Determine possible resistance- e.g probing the global department that may develop fear of loss of control- and alleviate it by having an open reporting system and quarterly review of performance (Brammer, Nardella and Surdu, 2021).

Continuous Improvement Cycle: Standardise a bi-annual SOP audit to examine cultural relevance, environmental and operational efficiency, thus providing flexibility to macro-economic changes in future (Brammer, Nardella and Surdu, 2021).

Evaluation of Expected Impact.

These three SOP changes will create a quantifiable change in several strategic areas:

Cultural Integration: Better integration of the global ethos of Unilever with the cultural canvas of India will improve employee engagement, brand recognition and trust of the community (Bouguerra *et al.*, 2023).

Operational Efficiency: The system of sustainable supply chains and digital traceability will allow for reducing waste and enhancing resource distribution, and eliminating regulatory risk.

Market Performance: The localised innovation and marketing will drive up consumer loyalty, market share, and growth in revenues in the rural market (Bouguerra *et al.*, 2023).

Strategic Resilience: Decentralised implementation with internalised control mechanisms will make Unilever responsive to changes in policies, competition, and crises.

CONCLUSION

The Indian operation of Unilever plc demonstrates how a multinational can be efficient in the global outlook and local reaction. Using the OLI model, Unilever takes advantage of ownership, the favourable location of India and the strength of control of internalisation. This has made it remain competitive due to its flexibility in management, its cultural focus and sustainability practices (Menzies, 2024). The suggested SOP modifications, such as localised leadership, sustainable supply chain and culture-adapted innovation, enhance strategic resilience. Overall, the Unilever operation in India demonstrates that global strategy and local knowledge may be combined to guarantee long-term success, the trust of the stakeholders, and global responsibility.

REFERENCE

1. Anand, J. *et al.* (2021) 'Innovation in and from emerging economies: New insights and lessons for international business research', *Journal of International Business Studies*, 52(4), pp. 545–559. Available at: <https://doi.org/10.1057/s41267-021-00426-1>
2. Ari Van Assche and Valentina De Marchi (2024) 'Defining the boundaries of international business policy research', *Journal of international business policy*, 7(1), pp. 1–11. Available at: <https://doi.org/10.1057/s42214-023-00182-z>
3. Arikan, I. and Shenkar, O. (2021) 'Neglected elements: What we should cover more of in international business research', *Journal of International Business Studies*, 53(7). Available at: <https://doi.org/10.1057/s41267-021-00472-9>
4. Bellaaj, M. (2021) 'Why and how do individual entrepreneurs use digital channels in an emerging market? Determinants of use and channel coordination', *International Journal of Emerging Markets*, 18(9). Available at: <https://doi.org/10.1108/ijoem-08-2020-0882>
5. Bouguerra, A. *et al.* (2023) 'Linking Entrepreneurial Orientation to Environmental Collaboration: A Stakeholder Theory and Evidence from Multinational Companies in an Emerging Market', *British Journal of Management*, 34(1). Available at: <https://doi.org/10.1111/1467-8551.12590>
6. Brammer, S., Nardella, G. and Surdu, I. (2021) 'Defining and deterring corporate social irresponsibility: embracing the institutional complexity of international business', *Multinational Business Review*, 29(3), pp. 301–320. Available at: <https://doi.org/10.1108/mbr-02-2021-0011>
7. Cavusgil, S.T. (2021) 'Advancing knowledge on emerging markets: Past and future research in perspective', *International Business Review*, 30(2), p. 101796. Available at: <https://doi.org/10.1016/j.ibusrev.2021.101796>
8. Clegg, J. (2019) 'From the editor: International business policy: What it is, and what it is not', *Journal of International Business Policy*, 2(2), pp. 111–118. Available at: <https://doi.org/10.1057/s42214-019-00025-w>
9. Coche, E., Kolk, A. and Ocelík, V. (2024) 'Unravelling cross-country Regulatory Intricacies of Data governance: the Relevance of Legal Insights for Digitalization and International Business', *Journal of International Business Policy*, 7. Available at: <https://doi.org/10.1057/s42214-023-00172-1>

10. Cumming, D. *et al.* (2023) 'E-Commerce Policy and International Business', *Management International Review*, 63. Available at: <https://doi.org/10.1007/s11575-022-00489-8>
11. Curran, L., Eckhardt, J. and Lee, J. (2021) 'The trade policy response to COVID-19 and its implications for international business', *Critical Perspectives on International Business*, 17(2), pp. 252–320. Available at: <https://doi.org/10.1108/cpoib-05-2020-0041>
12. Dana, L.-P. *et al.* (2022) 'Investigating the Impact of International Markets and New Digital Technologies on Business Innovation in Emerging Markets', *Sustainability*, 14(2), p. 983. Available at: <https://www.mdpi.com/2071-1050/14/2/983>
13. Doh, J., Budhwar, P. and Wood, G. (2021) 'Long-term energy transitions and international business: Concepts, theory, methods, and a research agenda', *Journal of International Business Studies*, 52(5), pp. 951–970. Available at: <https://doi.org/10.1057/s41267-021-00405-6>
14. Doh, J.P. *et al.* (2023) 'Developing international business scholarship for global societal impact', *Journal of International Business Studies*, 54. Available at: <https://doi.org/10.1057/s41267-023-00603-4>
15. İpek, İ. (2021) 'The relevance of international marketing strategy to emerging-market exporting firms: from a systematic review towards a conceptual framework', *International Marketing Review*, 38(2), pp. 205–248. Available at: <https://doi.org/10.1108/imr-02-2020-0017>
16. Menzies, J. (2024) 'Artificial intelligence for international business: Its use, challenges, and suggestions for future research and practice', *Thunderbird International Business Review*, 66(2). Available at: <https://doi.org/10.1002/tie.22370>
17. Peter, O., Pradhan, A. and Mbohwa, C. (2023) 'Industrial internet of things (IIoT): opportunities, challenges, and requirements in manufacturing businesses in emerging economies', *Procedia Computer Science*, 217(3), pp. 856–865. Available at: <https://doi.org/10.1016/j.procs.2022.12.282>
18. Rañeses, M.S. *et al.* (2022) 'Investigating the Impact of Remote Working on Employee Productivity and Work-life Balance: A Study on the Business Consultancy Industry in Dubai, UAE', *International Journal of Business and*

- Administrative Studies*, 8(2). Available at: <https://doi.org/10.20469/ijbas.8.10002-2>
19. Reckendrees, A., Gehlen, B. and Marx, C. (2022) 'International business, multinational enterprises and nationality of the company: a constructive review of literature', *Business History*, 64(9), pp. 1–33. Available at: <https://doi.org/10.1080/00076791.2022.2118718>
 20. Saittakari, I. et al. (2023) 'A review of location, politics, and the multinational corporation: Bringing political geography into international business', *Journal of International Business Studies*, 54(1). Available at: <https://doi.org/10.1057/s41267-023-00601-6>
 21. Sinkovics, N., Vieira, L.M. and van Tulder, R. (2022) 'Working toward the sustainable development goals in earnest – critical international business perspectives on designing and implementing better interventions', *critical perspectives on international business*, 18(4). Available at: <https://doi.org/10.1108/cpoib-05-2022-0059>
 22. Witt, M.A. et al. (2023) 'Decoupling in international business: Evidence, drivers, impact, and implications for IB research', *Journal of World Business*, 58(1), p. 101399. Available at: <https://doi.org/10.1016/j.jwb.2022.101399>
 23. Unilever Annual Report (2025) *Unilever Annual Report and Accounts 2024*, Unilever. <https://www.unilever.com/files/unilever-annual-report-and-accounts-2024.pdf> (Accessed: October 31, 2025).
 24. Unilever Plc (2025a) *Our strategy*. <https://www.unilever.com/our-company/strategy/> (Accessed: October 29, 2025).
 25. Unilever Plc (2025c) *Overview q4-2024*. <https://www.unilever.com/investors/results-presentations-webcasts/overview-q4-2024/> (Accessed: October 29, 2025).
 26. Unilever Plc (2025b) *Sustainability*. <https://www.unilever.com/sustainability/> (Accessed: October 29, 2025).
 27. HUL Annual Report (2024) *Integrated Annual Report 2023-24*, Hindustan Unilever Limited. <https://www.hul.co.in/files/annual-report-2023-24.pdf> (Accessed: October 29, 2025).

