



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

Student Name: Md Kawser Uzzaman

Student ID: 2431870

Programme: Master of Business Administration

Module Name & Code: International Business Concepts(LCMB7034)

Lecturer: Balendran Kandasamy

Word Count: 5405

Contents

1. Introduction	4
2. Benefits and Challenges of International Operations	5
a. Why Nestlé Can Be Designated as an MNC/TNC	5
b. Nature of Nestlé's Global Operations and Key Value Chain Activities	6
c. Entry Modes Used by Nestlé in International Markets	8
Foreign Direct Investment (FDI) - Majority-Owned Subsidiaries	8
d. Key Benefits Obtained by Nestlé from International Operations	10
3. OLI Factors and Their Impact on Nestlé's International Market Entry Mode	11
a. Ownership Advantages and Their Influence on Entry Mode	11
b. Location Advantages and Their Impact on Nestlé's Market Entry Strategy	12
c. Internalisation Advantages and Their Impact on Entry Mode	13
4. Critical Evaluation of Cultural Differences and Their Impact on Nestlé's Market Entry and Success in Bangladesh	14
a. Cultural Distance between Switzerland and Bangladesh	14
b. Impact of Cultural Differences on Market Entry Strategy	15
c. Impact of Cultural Differences on Marketing Success	17
d. Cultural Influence on Consumer Behaviour and Product Success	18
e. Cultural Barriers and Their Implications for Long-Term Success	19
5. Critical Discussion and Recommendations for SOP Adjustments	19
Adjustment 1: Localised Supply Chain and Sourcing SOPs	19
Adjustment 2: Localised Marketing, Product Development, and Consumer Engagement SOPs	21
Recommended Adjustments to SOPs	21
Adjustment 3: Human Resource Management (HRM) and Workplace Culture SOPs	22
Critical Discussion	22

Recommended Adjustments to SOPs	23
6. Conclusion	25
7. References	26

1. Introduction

Nestlé S.A., headquartered in Switzerland, is one of the driving multinational enterprises (MNCs) within the worldwide food and beverage industry, operating in over 190 nations. Despite the strong global presence, Nestlé lacks direct operations in several countries, including Bangladesh, and here, the business activities are managed by the neighbouring regional offices. In this way, the local subsidiaries of Nestlé are allowed to adapt locally in terms of product strategies to meet the demands of the regional customers (Nestlé, 2026).

This assignment is based on Nestle Bangladesh as an appropriate case study because of its strong presence across the globe, well-established transnational strategy, and wide-ranging operations across both developed and developing countries. In particular, the assignment is based on the operations in the developing country of Bangladesh.

The extensive R&D capabilities and diversified product portfolio can be regarded as the key sources of Nestlé's competitive edge (Ellitan and Rinata, 2024). A well-integrated supply chain allows the business to respond rapidly and effectively to any market fluctuations like changing patterns of consumer demand due to nutrition/wellness trends or any other external factors impacting demand for its product range. The company has faced serious issues relating to sustainability in its supply chain including negative impacts on their reputation as a result of plastic usage, greenhouse gas emissions, and excessive use of water (Rahman and Hasan 2024). In response to mitigate the issues, Nestlé has been found to show efforts by launching more plant-based and health-oriented products, along with the efforts of Nestlé for responsible packaging (Butt, 2024; Islam, 2025).

In order to critically analyse the international strategy of the company, the assignment is based on the key theoretical frameworks of the OLI (Ownership, Location, Internalisation) paradigm and Hofstede's cultural dimensions.

2. Benefits and Challenges of International Operations

a. Why Nestlé Can Be Designated as an MNC/TNC

Nestlé exemplifies characteristics of both worldwide integration and neighbourhood responsiveness models (Meyer & Peng, 2020). Nestlé has a global presence, which sells its products across 185 countries with more than 2000 brands and almost 277,000 diverse workforce (Nestlé Global, 2026). At the same time, the company adjusts items to nearby tastes, social inclinations, and administrative requirements, illustrating vital localisation in the home. For example, Nestlé's item variations, such as Maggi noodles with territorial flavours in Asia or branded dairy items in Africa, reflect its double approach of institutionalisation and adjustment, which permits it to stay competitive over differing markets (Ahmed & Rahman, 2023). This proof bolsters the idea that Nestlé effectively equalises worldwide effectiveness with neighbourhood responsiveness, a trademark of successful multinational enterprises, and a broad multinational impression (Kamal & Hoque, 2021). At the same time, the company engages territorial backups like Nestlé Bangladesh to redo item definitions, showcasing techniques, and dissemination frameworks that adjust with neighbourhood tastes and social inclinations, outlining the decentralisation commonplace of a TNC (Rahman & Uddin, 2022).

Its authoritative structure reflects the transnational technique, where worldwide productivity, local responsiveness, and global learning are adjusted at the same time (Banerjee, 2023). For example, Nestlé Bangladesh works beneath Nestlé's global standards such as its sustainability targets, nutrition commitments, and pleasant confirmation protocols while fitting product lines like Nescafé, Lactogenic, and Maggi to neighbourhood showcase needs. This capacity to supervise universally scattered technology and development frameworks, coupled with stable neighbourhood embeddedness, legitimises the classification of Nestlé as an MNC/TNC (Sultana & Chowdhury, 2021).

The global operations of Nestlé are associated with the combination of centralised strategic control on the global operations, as well as local execution. Nestlé authority manages its global activities throughout different parts of the world, including

Europe, America, Asia, Oceania, and Africa, along with specialised business units (Nestlé CWA, 2020). In this way, a coordinated process of product development, technology transfer, and supply chain management takes place in the multiple markets, along with the adaptation of local consumer preferences. For instance, the localisation of one of the highest-selling products of Nestlé, Maggi, a ready-to-eat noodles product, could be referred to, which is tailored with an Indian spices combo, specialised for the taste buds of Indian consumers, by launching Maggi Masala noodles and Maggie Atta noodles (Srivastava et al. 2025). In the same manner, in the USA, Nestlé launched outside frozen pizza, focusing on the choices of American consumers (Nestlé Global, 2010).

The integration of technologies in the globally coordinated operations of Nestlé is found to be fundamental for quality control and product modification in different regional areas, as per the local customer demands. For example, Nestlé has been found to use sensory AI and electronic tongue using AI algorithms for coffee tasting purposes to ensure a consistent and preferred taste of coffee, as well as the integration of innovative coffee items, such as Dalgona mixes, as per the taste of regional consumers (SIAL Paris, 2026). In this way, an act of transitional corporation is characterised by Nestlé, which maintains a strong central oversight to take care of global operations and simultaneously leverages regional capacities, enabling a sustainable competitive advantage.

b. Nature of Nestlé's Global Operations and Key Value Chain Activities

The advanced global value chain of Nestlé is associated with multiple activities, like sourcing and production, marketing and distribution, as well as financing and management. In this way, the integrated business activities help the company to maintain coordination across different countries, along with consistent quality control to meet the standard of the brand in the global market (Ceko, 2024). Each component of the esteem chain contributes to Nestlé's capacity to successfully respond to worldwide shopper needs, while leveraging economies of scale (Grewal & Require, 2022).

- 1. Research and Development (R&D):** The R&D activities of Nestlé Bangladesh are the core strengths of its global operations. Nestlé is currently operating

across 34 R&D facilities across the world, including 31 product technology centres and 3 science and research centres, with more than 5000 specialised R&D employees (Nestlé CWA, 2020). R&D can be regarded as the foundation for the development and formulation of healthier products. In order to sustain the competitive advantage, Nestlé's authority is found to invest heavily in its R&D activities; for instance, the company announced to invest CHF 1.7 billion each year in the R&D activities by considering the R&D functions as one of the business growth engines (Nestlé Global, 2026).

- 2. Sourcing of Raw Materials:** Nestlé sources raw materials such as dairy, coffee, cocoa, and grains from thousands of agriculturists around the world through vertically coordinated and long-term associations. Its Creating Shared Value acquisition shows guarantees maintainable cultivating hones, moral sourcing, and moved forward business support for neighbourhood makers (Haque & Islam, 2022).
- 3. Production and Manufacturing:** Nestlé tends to operate across multiple manufacturing facilities across the world; for instance, a total of 337 factories across 75 countries across the world. The distributed production facility helps the company to rapidly respond to sudden market changes based on local demands as well as the maintenance of strong quality and safety standards throughout the operational procedures (Nestlé, 2026). Production facilities are planned to preserve high quality, security, and maintainability benchmarks adjusted with Nestlé's worldwide fabricating fabulousness conventions (Iqbal & Khan, 2021). Nestlé Bangladesh works near production lines for items such as noodles and refreshments, while bringing in particular things from territorial centres such as India, Sri Lanka, and Malaysia. This half-breed fabricating demonstrates guarantees productive capital allotment, whereas assembly neighbourhood showcase requests.
- 4. Distribution and Logistics:** Nestlé Bangladesh's distribution framework coordinates global distribution partners with nearby channel accomplices to guarantee item accessibility over different markets. The company employed progressive stock administration and sought to determine innovations, decrease

supply chain instability and guarantee operational progression (Mujeri & Alam, 2020). In Bangladesh, Nestlé collaborates with wholesalers across the nation and retail chains, guaranteeing profound entrance into urban and rural markets.

- 5. Marketing and Sales:** Nestlé receives a globalised showcasing procedure, combining institutionalised brand accounts with neighbourhood adjustment. Whereas worldwide brands such as Nescafé and KitKat keep up a bound together universal character, limited-time messages, bundling, serving proposals, and estimating methodologies are custom-fitted to neighbourhood settings (Rashid & Ferrous, 2021). In Bangladesh, Nestlé underlines nourishment, reasonableness, and family-oriented information to offer to middle-income shoppers.
- 6. Financing and Global Treasury Operations:** Nestlé centralises budgetary planning and risk management through global treasury centres, guaranteeing viable capital assignment, remote trade administration, and venture planning (Gomez & Wirtz, 2022).

In this way, the value chain activities of Nestlé across different countries are associated with the transnational business model of the company. The combination of centralised strategic control and local operational flexibility can help the company to achieve economies of scale through the large volume of production, as well as a quick response to the regional market needs.

c. Entry Modes Used by Nestlé in International Markets

Foreign Direct Investment (FDI) - Majority-Owned Subsidiaries

FDI is Nestlé's most prevailing passage mode, empowering full operational control, institutionalised quality administration, and long-term showcase nearness (Meyer & Oestrin, 2021).

Greenfield Investments: Between 2019 and 2024, Nestlé has been regarded as the most active Greenfield investor from the global food industry by active investment in subsidiaries and company divisions. Statistical data, in this context, found that 20.8% of the total foreign investments in Nestlé are associated with

the animal feed subsector (GlobalData, 2026). Greenfield investment also creates employment opportunities. For example, in India, Nestlé's Greenfield investment acts as one of the key drivers of direct and indirect employment opportunities. Nestlé India employed roughly around 6000 people across 9 factories in India, driven by the significant investment of 4200 crores INR between 2023 and 2025 (The Economic Times, 2023).

Acquisitions and Mergers: In high-income nations, acquisitions are utilised to gain quick showcase get to, built up dispersion systems, and brand portfolios. Cases incorporate acquisitions of territorial refreshment companies, pet care brands, and food firms (Singh & Bhuiyan, 2021). This approach quickly advertises entrance, but is less common in least-developed economies like Bangladesh.

Strategic Alliances and Joint Ventures: Nestlé embraces joint ventures in markets with speculation confinements or where collaboration upgrades nearby showcase knowledge. Joint ventures have been utilised in China, Indonesia, and parts of the Middle East, where organisations with neighbourhood firms diminish social risk and administrative barriers (Hossain & Sultana, 2022).

Licencing and Franchising: In spite of the fact that not prevail within the centre nourishment and refreshment portfolio, Nestlé employs permitting courses of action for certain non-core item categories, especially beauty care products and wellbeing items. These courses of action empower low-cost passage into speciality portions while maintaining brand nearness (Reza & Mirza, 2020).

Dominant Entry Mode: FDI is one of the key areas of Nestlé's market entry strategy, which takes place either in the form of wholly owned subsidiaries or as the majority owned operations. Particularly, Nestlé uses horizontal FDI to replicate its operations in the new market. As highlighted by Pla-Barber et al. (2025), its global expansion is frequently associated with the acquisition of local firms in the emerging markets, which helps to gain faster market access. FDI allows the company to utilise local production facilities, so that the company can

tailor the products as per the local consumer choices and market requirements, such as in the case of Nestlé India, Egypt, and Nigeria (Berkhout et al. 2025).

d. Key Benefits Obtained by Nestlé from International Operations

- 1. Economies of Scale and Cost Efficiency:** Working in over 180 nations permits Nestlé to upgrade generation, sourcing, bundling, and coordination across borders. Large-scale acquisition of crude materials decreases costs, whereas worldwide fabrication centres improve effectiveness and decrease operational redundancies (Grewal & Exact, 2022). Shared innovations, R&D information, and worldwide training frameworks assist improve fetched competitiveness.
- 2. Market Diversification and Risk Reduction:** The global operations of Nestlé across more than 190 countries help to over rely on the political disruption or economic risks in a single market. The operations across the broad geographic area can help to balance the losses in one area with a stable revenue stream in other areas, leading to the maintenance of an overall stability in the income stream. For instance, if the company faces losses in the emerging markets due to inflationary pressure, political instability, or exchange-related risks, it could do better in the relatively stable markets of North America or Western Europe, where it can easily manage its financial risks and maintain a consistent cash flow overall (ODUNAYO, 2025).
- 3. Enhanced Innovation through global R&D:** International operations of Nestlé across 190 countries with 337 factories upgrade its ability to enhance by leveraging its broad R&D framework (Nestlé, 2026). Experiences from assorted markets lead to item alterations and tendencies that meet nearby shoppers' wishes (Naseer & Alvi, 2021). Growing markets supply contemporary openings for product testing and category extension.
- 4. Strengthened brand equity and market Nearness:** Operating all-inclusive upgrades, logo acknowledgement, and client trust. Nestlé's multinational presence strengthens its notoriety for pleasant, safe, and reliable factors that unequivocally affect obtaining alternatives in developing economies (Sultana & Chowdhury, 2021).

3. OLI Factors and Their Impact on Nestlé's International Market Entry Mode

The OLI paradigm, created by Dunning, gives a strong system for understanding why multinational ventures select particular modes when growing globally. The three components, Ownership preferences (O), Area focal points (L), and Disguise focal points (I), work collectively to decide whether a firm ought to lock in in outside coordinated venture, authorising, joint ventures, or associations (Meyer & Peng, 2020).

a. Ownership Advantages and Their Influence on Entry Mode

- ❖ **Global Brand Equity and Reputation:** Nestlé's worldwide notoriety as a driving supplier of nutritious, secure, and trusted food items is one of its most important intangible resources. Working beneath a universally bound together brand engineering empowers Nestlé to use shopper belief and keep up steady product quality across markets (Sultana & Chowdhury, 2021). A joint venture or permitting course of action may possibly weaken brand character or compromise quality due to shared control, making FDI the favoured mode.
- ❖ **Advanced R&D Capabilities:** Nestlé's worldwide R&D framework, comprising development centre points and particular research facilities, gives a critical proprietary advantage (Naseer & Alvi, 2021). These capabilities permit the company to tailor item details for nearby dietary preferences, such as wholesome items for newborn children and reasonable supper arrangements for the Bangladeshi centre lesson.
- ❖ **Superior Supply Chain and Managerial Capabilities:** Nestlé's modern worldwide supply chain administration, including estimating, stock administration, and acquisitionspecialisation, constitutes a firm-specific advantage (Grewal & Exact, 2022). In rising economies, nearby firms regularly need the capability to coordinate global quality and operational measures. Disguising these capabilities through FDI guarantees Nestlé keeps up quality, security, and administrative compliance.
- ❖ **Financial Strength and Global Capital Access:** Nestlé's financial position permits it to contribute intensely in modern offices, showcase

improvement, and distribution systems. This budgetary quality decreases reliance on neighbourhood accomplices for capital speculation (Gomez & Writs, 2022).

b. Location Advantages and Their Impact on Nestlé's Market Entry Strategy

- ❖ **Large and Growing Consumer Market:** Bangladesh, one of the fastest-growing economies in South Asia, encompasses a rising middle class and expanding urbanisation. These patterns have altogether boosted request for bundled and comfort foods (Islam & Hossain, 2022). Expansive shopper markets support section modes with tall control, such as FDI, since they permit the firm to scale operations rapidly and keep up competitive advantage.
- ❖ **Low Labour and Production Cost:** Bangladesh offers cost-efficient work relative to other Asian economies. This bolsters nearby fabricating, empowering Nestlé to diminish production costs and offer competitively priced items (Karim & Mahmood, 2023). Such alternatives back Greenfield ventures and entirely possessed auxiliaries to increase taken a toll reserve budget.
- ❖ **Strategic Geographic location:** Bangladesh's proximity to large markets along with India, Myanmar, and Southeast Asia gives key importance in making territorial supply chain courses. The place underpins Nestlé's territorial sourcing and conveyance approach, which benefits from tight supply chain management empowered by FDI (Mujeri & Alam, 2020).
- ❖ **Improving business environment and government Incentives:** Over the last decade, Bangladesh has carried out modifications to attract remote tasks, counting assess motivations, trade zones, and streamlined administrative structures (Rahman & Uddin, 2022). These government sports lower operational risks and increase the charm of FDI-led showcase passage.
- ❖ **Growing demand for nutritional products:** Changing consumer conduct, pushed through growing well-being mindfulness and statistical additives, has multiplied request for healthful and newborn infant nourishments. Nestlé's particular wholesome products require strict quality control and adherence to international nutritional guidelines (Ahmed & Rahman, 2023). An area wherein

guidelines are important fortifies what they require for disguised generation and dissemination.

c. Internalisation Advantages and Their Impact on Entry Mode

- ❖ **Quality control and Compliance requirements:** Nestlé's global fabricating and quality confirmation measures require precise management oversight. The outsourcing era or shaping joint ventures may increase the risk of conflicting objectives, which would possibly harm the company logo (Iqbal & Khan, 2021).
- ❖ **Protection of Proprietary knowledge:** Nestlé's technology techniques, nutritional details, and R&D forms talk to centre talents that require protecting. Authorising such information to neighbourhood accomplices could increment presentation to impersonation or intellectual property leakage (Khan & Akter, 2024). Internalisation guards against those risks and allows Nestlé to hold aggressive benefits.
- ❖ **Control Over Distribution and Market Positioning:** Dispersion channels are vital in growing markets where framework demanding situations exist. Nestlé's management over conveyance ensures profound infiltration into provincial and urban markets and maintains strong connections with outlets (Rashid & Ferdous, 2021). The cover gives Nestlé a way better responsiveness and flexibility in showcasing techniques.
- ❖ **Risk Mitigation against Opportunistic Behaviour:** Agreement-based segment modes frequently expose firms to astute conduct from accomplices, especially in markets with legal shortcomings. Bangladesh's administrative structure has progressed; however nonetheless faces challenges consisting of bureaucratic complexity and requirement problems (Hossain & Sultana, 2022). Complete proprietorship mitigates those dangers because Nestlé oversees operations specifically.
- ❖ **Enhancing Global Coordination:** As a TNC, Nestlé locks in on worldwide information exchange, shared supply chain frameworks, and coordinates monetary administration. Disguising operations in Bangladesh guarantees consistent arrangement with worldwide treasury, procurement, and R&D forms

(Gomez & Wirtz, 2022). Outside organisations might make coordination wasteful aspects and weaken vital coherence.

Nevertheless, despite the above advantages, the challenges in the international market entry are also crucial for Nestle Bangladesh, especially associated with the cultural differentiation, to be discussed broadly in the next section.

4. Critical Evaluation of Cultural Differences and Their Impact on Nestlé's Market Entry and Success in Bangladesh

a. Cultural Distance between Switzerland and Bangladesh

- ❖ **Individualism vs. Collectivism:** The headquarters of Nestlé, Switzerland, is characterised by an individualistic society, where the individuals tend to prioritise personal independence and individual decision-making. Consumers also prefer personal preferences to a greater extent, along with convenience and product quality during the purchase decisions (Haque & Sultana, 2021). On the other hand, the society in Bangladesh is mostly collectivist, associated with family ties, community relationships, and social harmony. Here, consumers' choices are also mostly influenced by affordability, family needs, and social expectations, rather than individual preferences (Cultural Atlas, 2017). These cultural differences might affect the communication strategy and marketing tactics of Nestlé in different geographic regions. Swiss consumers, who tend to be more influenced by the marketing messages that focus on personal benefits, might be more engaged by price sensitivity and family-oriented values of the products.

Hofstede Cultural Dimension Scores:

Dimension	Switzerland	Bangladesh	Interpretation
Power Distance (PDI)	34 (low)	80 (high)	Bangladesh accepts hierarchy more than Switzerland.

Individualism (IDV)	68 (high individualism)	20 (collectivist)	Swiss culture values individual choice; Bangladesh emphasises group/family.
Uncertainty avoidance	58 (moderate)	60 (moderate)	Switzerland has a high level of instability evasion, esteeming structure and clean controls, whilst Bangladesh indicates direct tiers, with adaptable reactions to uncertainty (Sald, 2023; Chevrier, 2009). This influences how operational dangers, item security features, and supply chain forms are overseen locally.
Long-term orientation	74 (Long term)	47 (Short term)	Although Switzerland's cultural aspects focus more on the long-term values and planning, the culture of Bangladesh mostly prefers short and medium-term orientations (Takacs et al. 2022; OECD/UNCTAD, 2023).
Masculinity	70 (Masculine)	55 (moderately masculine)	Switzerland's culture has a strong emphasis on achievement, competition, and performance, while Bangladesh mostly prefers to balance success with social relationships (norgesklubben.ch, 2018; Bouttell, 2025).

b. Impact of Cultural Differences on Market Entry Strategy

1. Mode of Entry: Preference for Full Ownership Over Partnerships: Social separation frequently increases the hazard of mistaken assumptions, astute conduct, or esteem misalignment in joint ventures (Meyer & Peng, 2020). Given the significant hole

between Swiss and Bangladeshi social practises particularly around the chain of command, transaction standards, and transparency, Nestlé may have seen partnership-based section modes as unsafe.

Hence, Nestlé's choice of Remote Coordinate Speculation through an entirely owned backup made a difference moderate challenges related to:

- ❖ varying working environment desires
- ❖ variations in quality affirmation standards
- ❖ communication challenges
- ❖ social misalignment in trade morals

By disguising control, Nestlé guaranteed that Swiss standards, particularly in nourishment, security, and compliance, were entirely maintained in an environment with diverse social standards (Iqbal & Khan, 2021).

2. Local Talent Strategy and Organisational Culture: Social contrasts impacted Nestlé's choice to receive a cross-breeding administration structure. Whereas vital oversight is impacted by worldwide corporate culture established in Swiss values (accuracy, quality, straightforwardness), operational parts include broad localisation.

Nestlé Bangladesh, therefore:

- ❖ utilises nearby supervisors recognisable with social standards
- ❖ trains workers to embrace Nestlé's worldwide honours
- ❖ coordinating cross-cultural training to limit workplace strife

This crossover approach makes a difference in bridging social remove and guarantees operational agreement (Grewal & Require, 2022).

3. Product Adaptation as an Entry Consideration

Culture emphatically shapes dietary designs. Bangladesh's food is intensely affected by:

- ❖ rice-based dinner

- ❖ sweet and dairy inclinations
- ❖ devout confinements (e.g., halal necessities)
- ❖ inclinations for locally commonplace flavours

Perceiving these social specificities, Nestlé entered with items custom-fitted to nearby taste and social standards. This included:

- ❖ halal-certified items
- ❖ milk-based things adjusted with nearby dietary needs
- ❖ Enhance profiles adjusted for Bangladeshi buyers

Hence, social variables strengthened Nestlé's require for neighbourhood generation, empowering adjustment without compromising worldwide quality (Ahmed & Rahman, 2023).

c. Impact of Cultural Differences on Marketing Success

1. Branding and Consumer Trust: In Bangladeshi culture, trust is regularly built through long-term connections, community impact, and word-of-mouth, instead of absolutely through brand image (Rashid & Ferdous, 2021). Nestlé had to shift from Western individualistic promoting approaches to socially grounded procedures underlining:

- ❖ family well-being
- ❖ sustenance for children
- ❖ community-based CSR exercises

This move made a difference. Nestlé positions itself as a trusted family brand in a collectivist society.

2. Communication and Advertising Styles: Swiss publicising standards are frequently moderate, judicious, and information-driven. In contrast, Bangladeshi shoppers react emphatically to:

- ❖ passionate requests

- ❖ family subjects
- ❖ social celebrations and conventions
- ❖ celebrity supports

For illustration, campaigns advancing NIDO or Maggi highlight topics of parenthood, connections, and social togetherness. This reflects the need to adjust informing to social values organising collective personality (Sultana & Chowdhury, 2021).

3. Package Design and Labelling: Social contrasts also formed bundling inclinations. Bangladeshi consumers favour:

- ❖ clear halal certifications
- ❖ shining, socially recognisable colours
- ❖ directions visuals due to educational varieties

This required Nestlé to alter worldwide bundling plans to adjust with nearby social desires and administrative standards.

d. Cultural Influence on Consumer Behaviour and Product Success

1. Dietary Norms and Health Perceptions: Bangladeshi consumers' solid inclination for conventional, handcrafted nourishment at first postured challenges for Western-style packaged merchandise. In any case, developing urbanisation and female workforce cooperation moved the request toward helpful yet socially valuable items (Islam & Hossain, 2022).

Nestlé's capacity to adjust its offerings, such as invigorated drink products aligned with neighbourhood dietary needs, contributed to showcase victory.

2. Religious Influences: Islam plays a significant part in forming dietary conduct in Bangladesh. Nestlé's worldwide commitment to excellence recommended easy adjustment to halal tips, reinforcing its acknowledgement among nearby customers (Karim & Mahmood, 2023).

3. Price Sensitivity and financial subculture: Bangladesh's rate-touchy utilisation designs required Nestlé to:

- gift little reasonable sachets
- Get hold of aggressive estimating strategies
- improve neighbourhood sourcing to lower charges

These methodologies replicate social standards referring to fee-conscious acquiring conduct.

e. Cultural Barriers and Their Implications for Long-Term Success

In spite of effective localisation, a few social challenges remain:

1. Resistance to Foreign Brands in Rural Areas: Nestlé must proceed with CSR-driven trust-building to upgrade its acknowledgement in country markets (Hossain & Sultana, 2022).

2. Gender Norms and Consumption Roles:

Ladies regularly impact family food purchases. Understanding gendered decision-making forms is fundamental for focused on promoting.

3. Communication Gaps: Cross-cultural mistaken assumptions between exile pioneers and nearby groups can lead to operational wastefulness.

4. Differing Perceptions of Quality: Bangladeshi buyers may question the reasonableness of quality, requiring Nestlé to adjust taken a toll and quality without compromising measures.

5. Critical Discussion and Recommendations for SOP Adjustments

For Nestlé, adjusting its operational hones with the materials of Bangladesh, a rising financial system characterised by high population density, collectivist social roots, advancing administrative structures, and growing client expectations calls for a vital reconfiguration of selected bureaucracy.

Adjustment 1: Localised Supply Chain and Sourcing SOPs

Critical Discussion

One of Nestlé's most grounded OLI focal points lies in its Ownership-specific advantages with respect to global supply chain mastery, exclusive quality control frameworks, and solid brand value. However, the effectiveness of all these factors depends on the adequacy of local adaptation as per the local operating conditions (Ahmed & Reza, 2021). These conditions require fitting SOPs related to sourcing, coordination, and generation planning. In Bangladesh, supply chain gaps are crucial issues, with respect to infrastructural limitations, high logistics cost, and seasonal flooding, leading to the reduced reliability of imports as well as less effective global sourcing procedures (Xames et al. 2022).

Culturally, Bangladesh may be a high-context and relationship-oriented society where trust-based intelligent are fundamental for proficient provider coordination. Therefore, highly formalised and rule-based procurement systems are found to be less effective in the Bangladeshi culture (Rahman & Khan, 2022).

Recommended Adjustments to SOPs

1.1 Develop Local Supplier Capability-Building Protocols

SOPs ought to command organised agriculturist preparation programmes, neighbourhood quality certification workshops, and rural expansion back. This alteration adjusts with OLI by supporting area adjustment, while holding control over raw-material quality. Investigation appears that neighbourhood capability-building improves supply soundness and diminishes long-term costs in developing markets (Hossain & Islam, 2023).

1.2 Introduce Flexible Contracting Frameworks

Rather than unbending worldwide layouts, Bangladesh-specific contracting SOPs ought to incorporate regular clauses, risk-sharing instruments, and co-investment alternatives for small providers. These socially delicate contracts make strides in provider devotion and responsiveness.

Strategic Rationale

This SOP alteration permits Nestlé to tackle area focal points (locally accessible drain, grains, flavours) while guaranteeing that possession focal points in quality administration stay completely disguised. It equalises worldwide effectiveness with neighbourhood versatility and bolsters a more grounded social arrangement through social engagement.

Adjustment 2: Localised Marketing, Product Development, and Consumer Engagement SOPs

Critical Discussion

Nestlé's possession points of interest incorporate solid worldwide brands, modern R&D capabilities, and institutionalised product development systems. In any case, location-specific variables in Bangladesh, such as dietary inclinations, wage elasticity, and strong social connections to local flavours demand tweaked showcasing and R&D SOPs. However, local tastes, price sensitivity, and cultural values are the strong influencers of Bangladeshi consumers' food items purchase habits, owing to their greater preferences for the familiar flavours and affordability (Khatun & Chowdhury, 2021).

Social contrasts between Switzerland (Nestlé's domestic nation) and Bangladesh essentially affect shopper conduct. Switzerland scores high on independence, along with greater individualism and lower power distance. On the other hand, Bangladesh is collectivist, progressive, and more tolerant of uncertainty (Hofstede Bits of knowledge, 2020). These cultural differences crucially influence the consumers' purchase decisions and marketing communication styles, indicating the need for adopting more localised marketing communication strategies for Nestlé.

Despite the priority on the brand consistency, standardised packaging, and centralised product testing from the end of Nestlé, these efforts might be less effective to meet the needs of the local consumers from Bangladesh, indicating the need for adaptation to local culture (Butt, 2024).

Recommended Adjustments to SOPs

2.1 Country-Specific Product Innovation SOP

Nestlé should set up a Bangladesh-focused R&D sub-framework inside its SOPs requiring:

- ❖ localisation assessments, sometime recently any item presentation
- ❖ Incorporation of Bangladeshi nutrition technologists in advancement groups
- ❖ obligatory tangible testing with different nearby shopper portions
- ❖ required reasonableness examination for all items

Such adjustments ensure alignment with nearby diets and investment capacity, supporting both the area and disguise preferences by permitting Nestlé to improve inside for Bangladesh.

2.2 Culturally-Aligned Communication Protocols

- ❖ Showcasing SOPs ought to consolidate collectivist and family-oriented informing standards. Publicising rules ought to indicate:
- ❖ accentuation on family wellbeing, community prosperity, and social values
- ❖ utilise of nearby influencers, family part models, and trusted community figures
- ❖ substance adjusted to etymological and devout sensitivities
- ❖ This guarantees more grounded social reverberation and underpins showcase entrance.

Strategic Rationale

These promoting and product-development SOP adjustments permit Nestlé to completely use its enquire about capabilities (proprietorship advantage) while upgrading location-specific request designs. They moreover diminish social grinding, empowering Nestlé to construct deeper belief and more grounded brand value.

Adjustment 3: Human Resource Management (HRM) and Workplace Culture SOPs

Critical Discussion

The alignment between the organisational practices and local cultural norms with respect to the HR policies is highly important for organisational success. In shaping its HR policies, Nestlé emphasizes various cultural factors in Switzerland to help

implement and reflect the long-term employment policies or career developments in accordance with the Swiss way of thinking. The policies that Nestlé uses for human resources have been designed to fit the individualistic nature of Switzerland (Uzelac, 2022). In contrast, due to the collectivist social culture of Bangladesh, most of the employees look for some type of hierarchical authority instead of independence, as well as needing some sort of structure to guide them and team-oriented working (Das, 2023). In this scenario, without SOP alterations, Nestlé risks misalignment between administrative desires and representative inspirations, driving to diminished assurance and efficiency.

Recommended Adjustments to SOPs

3.1 Leadership Communication and Hierarchy SOP Realignment

HR SOPs ought to present socially suitable various levelled conventions, such as:

- ❖ organised communication cascades
- ❖ clear part depiction
- ❖ formalised respect-focused intuitive
- ❖ These changes reflect nearby standards and decrease instability among workers.

3.2 Community-Oriented Performance Management Framework

Rather than simply person KPIs, SOPs ought to require:

- ❖ team-based execution measurements
- ❖ social acknowledgement programmes
- ❖ collective remuneration motivations

This aligns with collectivist social values and cultivates an orchestrated work environment.

3.3 Training SOPs Emphasising Cultural Integration

- ❖ Training processes must include:
- ❖ social mindfulness modules for ostracism

- ❖ localisation preparing for directors
- ❖ communication-skills programmes reflecting nearby standards

Enquire about recommends socially educated administration altogether progresses MNC operational viability in South Asia (Hossain & Karim, 2023).

Strategic Rationale

An adjusted HR SOP fortifies inner authoritative cohesion, improves inspiration, and guarantees that Nestlé's worldwide working standards can be effectively actualised in Bangladesh. It also advances disguise points of interest by guaranteeing consistent execution of centralised forms.

Overall Strategic Impact of the Recommended SOP Adjustments

The proposed SOP alterations collectively improve Nestlé's capacity to interpret its worldwide qualities into sustainable competitive advantages in Bangladesh. Each alteration fortifies the OLI columns:

Ownership Advantages

- ❖ Way better use of R&D, quality control, and supply chain ability
- ❖ Social fit guarantees inner SOPs stay successful
- ❖ Upgraded brand value and customer belief

Location Advantages

- ❖ Responsiveness to neighbourhood tastes, social standards, and agrarian conditions
- ❖ Expanded access to nearby providers and accomplices
- ❖ Made strides in workforce compatibility and decreased contact

Internalisation Advantages

- ❖ Maintenance of control over key exercises while guaranteeing neighbourhood versatility

- ❖ More grounded integration between worldwide benchmarks and neighbourhood operations
- ❖ Upgraded operational proficiency and decreased the chance

Collectively, these alterations progress Nestlé's long-term victory potential in Bangladesh, empowering the company to adjust worldwide capabilities with neighbourhood significance.

6. Conclusion

This consultancy report has fundamentally inspected Nestlé's global operations with a particular focus on its exercises inside Bangladesh, and a rising economy characterised by energetic customer markets, social complexity, and advancing organisational structures. Through an assessment of its status as a driving multinational enterprise, Nestlé's worldwide supply chain was found to be profoundly coordinated, mechanised, and deliberately broadened over investigation, sourcing, production, marketing, and finance. Its phase techniques, ranging from totally claimed backups to joint ventures, exhibit an assumption technique to adjusting manipulation with responsiveness in global expansion.

Additionally, the evaluation of social aberrations between Switzerland and Bangladesh underscored the requirements for socially educated decision-making, specifically in communication patterns, shopper conduct, environmental standards, and promoting honesty. These bits of expertise guided guidelines for three SOP changes in the delivery chain management, sales and product development, and human asset management.

7. References

- Banerjee, P. (2023) 'Transnational strategies for multinational corporations in developing countries', *Global Business Review*, 24(3), pp. 412–430.
- Berkhout, T., Flores, P., & Krampe, C. (2025). The socio-economic impact of multinational agri-food companies on African food systems and food security: An analysis of publicly available data. Retrieved from: <https://edepot.wur.nl/687842>
- Bouttell, L. (2025). *Leadership Training in Bangladesh: A Complete Guide* [Online] Retrieved from: <https://quarterdeck.co.uk/articles/leadership-training-in-bangladesh#:~:text=Bangladesh's%20business%20culture%20reflects%20broader%20societal%20values,fails%20to%20transfer%20effectively%20into%20workplace%20application.> [Accessed on: 11 Feb 2026]
- Butt, U. I. (2024). Nestlé's role in global food security, climate change and consumer health. *International Journal of Social Sciences and English Literature*, 8, 7-15. Retrieved from: 10.55220/
- Butt, U. I. (2024). Nestlé's role in global food security, climate change and consumer health. *International Journal of Social Sciences and English Literature*, 8, 7-15. Retrieved from: <https://doi.org/10.55220/2576683x.v8.182>
- Ceko, E. (2024). A WORLDWIDE ISO STANDARDS TREND PERSPECTIVE ANALYSIS. *EDITORIAL & PUBLISHING OFFICE*, 18. Retrieved from: https://crj.cit.edu.al/wp-content/uploads/2014/10/Corrected_Thesis_3.pdf
- Chevrier, S. (2009). Is national culture still relevant to management in a global context? The case of Switzerland. *International journal of cross cultural management*, 9(2), 169-183. Retrieved from: <https://journals.sagepub.com/doi/abs/10.1177/1470595809335723>
- Cultural Atlas (2017). *Bangladeshi culture* [Online] Retrieved from: <https://culturalatlas.sbs.com.au/bangladeshi-culture/bangladeshi-culture-core-concepts#:~:text=Interdependence%20and%20Interactions,among%20communities%20despite%20possible%20differences.> [Accessed on: 11 Feb 2026]
- Das, S. (2025). Organizational Culture and Performance: Telecommunication Sector in Bangladesh. Retrieved from: https://www.theseus.fi/bitstream/handle/10024/884658/Das_Saurav.pdf?sequence=2

- Ellitan, L., & Rinata, Y. A. C. (2024). Building Competitive Advantage: Lesson Learned from “PT Nestlé Indonesia”. Retrieved from: <https://doi.org/10.5281/zenodo.10665352>
- GlobalData (2024). Retrieved from: <https://www.globaldata.com/store/report/top-food-foreign-direct-investment-companies-innovation-and-trend-analysis/> [Accessed on: 11 Feb 2026]
- Gomez, L., & Wirtz, J. (2022) ‘Global treasury management and financial integration in MNCs’, *Journal of International Finance*, 18(2), pp. 95–110.
- Grewal, D., & Levy, M. (2022) *Marketing strategies in emerging markets*. London: Routledge.
- Haque, M., & Islam, R. (2022) ‘Sustainable sourcing and supply chain practices in the food sector: Evidence from South Asia’, *Sustainability in Business*, 15(1), pp. 55–72.
- Haque, S., & Sultana, A. (2021) ‘Cross-cultural management and communication in South Asian multinational enterprises’, *Asian Business and Management*, 20(4), pp. 298–315.
- Hossain, F., & Karim, N. (2023) ‘Workforce cultural integration in transnational corporations: Case studies from Bangladesh’, *International Journal of Human Resource Management*, 34(7), pp. 1204–1225.
- Hossain, M., & Sultana, R. (2022) ‘Joint ventures and foreign direct investment strategies in Bangladesh’, *Journal of International Business Policy*, 5(2), pp. 87–103.
- Iqbal, M., & Khan, A. (2021) ‘Quality assurance and operational excellence in global food manufacturing’, *Operations Management Review*, 17(3), pp. 203–219.
- Islam, A., & Hossain, M. (2022) ‘Consumer behaviour and market segmentation in Bangladesh’s FMCG sector’, *South Asian Journal of Marketing*, 8(1), pp. 45–62.
- Islam, M. Y. (2025). Evaluating consumer preferences in nutrition products: a marketing strategy for Nestlé Bangladesh. Retrieved from: https://dspace.bracu.ac.bd/xmlui/bitstream/handle/10361/26838/21304018_BBS.pdf?sequence=1&isAllowed=y
- Kamal, S., & Rahman, T. (2022) ‘Pricing and packaging strategies for emerging market consumers’, *International Journal of Marketing Studies*, 14(2), pp. 77–95.
- Khatun, S., & Chowdhury, A. (2021) ‘Cultural influences on food consumption patterns in Bangladesh’, *Asian Journal of Consumer Studies*, 12(3), pp. 112–130.

- Meyer, K., & Peng, M. (2020) 'Theoretical foundations of international business strategy: The OLI paradigm revisited', *Journal of World Business*, 55(4), 101098.
- Nestlé (2026). Retrieved from: <https://www.Nestlé.com/ask-Nestlé/our-company/answers/how-many-factories-do-you-have> [Accessed on: 11 Feb 2026]
- Nestlé CWA (2020). Retrieved from: <https://www.Nestlé-cwa.com/en/aboutus/management/globalmanagement> [Accessed on: 11 Feb 2026]
- Nestlé CWA (2020). Retrieved from: <https://www.Nestlé-cwa.com/en/randd/ourvision#:~:text=We%20have%20the%20largest%20R&D,100%25%20of%20the%20R&D%20spend>. [Accessed on: 11 Feb 2026]
- Nestlé Global (2010). Retrieved from: https://www.Nestlé.com/sites/default/files/asset-library/documents/library/presentations/mergers_and_acquisitions/kraft_acquisitions_conf_call_jan2010.pdf [Accessed on: 11 Feb 2026]
- Nestlé Global (2026). *Are Nestlé products the same throughout the world?* [Online] Retrieved from: <https://www.Nestlé.com/ask-Nestlé/products-brands/answers/are-Nestlé-products-the-same-throughout-the-world> [Accessed on: 10 Feb 2026]
- Nestlé Global (2026). Retrieved from: <http://Nestlé.com/about/research-development> [Accessed on: 11 Feb 2026]
- Nestlé Global (2026). Retrieved from: <https://www.Nestlé.com/about/overview#:~:text=A%20world%2Dleading%20brand%20portfolio,Around%20277%2C000%20employees> [Accessed on: 11 Feb 2026]
- Nestlé S.A. (2024) Creating Shared Value at Nestlé 2024. Available at: <https://www.Nestlé.com/sites/default/files/2025-02/creating-shared-value-Nestlé-2024.pdf> (Accessed: 12 December 2025).
- Nestlé S.A. (2025) Annual Report: Powering our growth strategy. Available at: <https://www.Nestlé.com/investors/annual-report/strategy> (Accessed: 12 December 2025).
- Nestlé S.A. (2025) Nestlé advances efforts to source key ingredients grown with regenerative agriculture practices. PR Newswire. Available at: <https://www.prnewswire.com/news-releases/Nestlé-advances-efforts-to-source-key-ingredients-grown-with-regenerative-agriculture-practices-301875623.html> (Accessed: 12 December 2025).

- Nestlé S.A. (2025) Sustainability: Creating Shared Value. Available at: <https://www.Nestlé.com/sustainability> (Accessed: 12 December 2025).
- Nestlé's Marketing Strategy and Consumer Behaviour* [Online] Retrieved from: <https://www.irejournals.com/formatedpaper/1707550.pdf> [Accessed on: 11 Feb 2026]
- norgesklubben.ch (2018). *Culture and Workplace Values in Switzerland and the Nordics* [Online] Retrieved from: <https://www.norgesklubben.ch/culture-and-workplace-values-in-switzerland-and-the-nordics/#:~:text=Switzerland%20is%20therefore%20a%20society,resolved%20by%20fighting%20them%20out.> [Accessed on: 11 Feb 2026]
- ODUNAYO, W. (2025). *The Impact of Political and Economic Uncertainty on*
- OECD/UNCTAD (2023). Production Transformation Policy Review of Bangladesh: Investing in the Future of a Trading Nation, OECD Development Pathways, OECD Publishing, Paris, Retrieved from: <https://doi.org/10.1787/8b925b06-en>.
- Pla-Barber, J., Villar, C., Mesa Callejas, R. J., & Botella Andreu, A. (2025). FDI spillovers on Colombian Multilatinas: Upgrading capabilities through indirect ties and humbleness. *BRQ Business Research Quarterly*, 28(3), 750-765. Retrieved from: <https://journals.sagepub.com/doi/full/10.1177/23409444241262793>
- Rahman, F., & Khan, S. (2022) 'Institutional environment and cross-cultural operational strategies in emerging economies', *South Asian Journal of Management*, 29(1), pp. 61–82.
- Rahman, K. S., & Hasan, M. D. (2024). Balancing Ethics and Profitability: Strategies for Nestlé to Overcome Ethical Scandals and Enhance Reputation. Retrieved from: https://www.theseus.fi/bitstream/handle/10024/859440/Rahman_Hasan.pdf
- Rahman, T., & Uddin, S. (2022) 'Multinational corporations and transnational management in Bangladesh', *International Business Review*, 31(5), pp. 102–118.
- Rashid, M., & Ferdous, N. (2021) 'Marketing adaptation and brand communication in South Asian FMCG markets', *Asian Marketing Journal*, 11(4), pp. 55–73.
- Reuters (2025) 'Nestlé, Barry Callebaut, re.green to restore areas in Brazil's cocoa, coffee regions', Reuters, 17 July. Available at: <https://www.reuters.com/sustainability/climate->

[energy/Nestlé-barry-callebaut-regreen-restore-areas-brazils-cocoa-coffee-regions-2025-07-17/](#) (Accessed: 12 December 2025).

Said, K. (2023). The impact of political upheavals on international business: case Bangladesh.

Retrieved from:

https://www.theseus.fi/bitstream/handle/10024/816906/Said_Kazi.pdf?sequence=2

SIAL Paris (2026). *NESTLÉ TAPS AI TO REDUCE FOOD-RELATED GREENHOUSE GAS EMISSIONS* [Online] Retrieved from: <https://www.sialparis.com/en/trends/News/Nestlé-ai#:~:text=Although%20creating%20and%20testing%20physical,tasty%20and%20gut%2Dfriendly%20recipes>. [Accessed on: 11 Feb 2026]

Srivastava, Anumeha & Srivastav, Sukriti. (2025). CONSUMER RESPONSE TO PRODUCT LINE EXTENSION OF NESTLÉ-A STUDY OF BRAND SWITCHING IN THE INDIAN FOOD PROCESSING INDUSTRY. 10.58257/IJPREMS44488. Retrieved from: <https://doi.org/10.58257/IJPREMS44488>

Sultana, R., & Chowdhury, A. (2021) 'Nestlé's global-local strategies in emerging markets: The case of Bangladesh', *International Journal of Business and Globalisation*, 27(3), pp. 301–320.

Takacs, F., Brunner, D., & Frankenberger, K. (2022). Barriers to a circular economy in small- and medium-sized enterprises and their integration in a sustainable strategic management framework. *Journal of Cleaner Production*, 362, 132227. Retrieved from: <https://doi.org/10.1016/j.jclepro.2022.132227>

The Economic Times (2023). *Nestlé investing Rs 4,200 crore by 2025, to set up its 10th factory in Odisha* [Online] Retrieved from: <https://economictimes.indiatimes.com/industry/cons-products/food/Nestlé-investing-rs-4200-crore-by-2025-to-set-up-its-10th-factory-in-odisha/articleshow/102203775.cms?from=mdr> [Accessed on: 11 Feb 2026]

Uzelac, J. (2021). *Business culture of Switzerland – values that ensure long-term success* [Online] Retrieved from: <https://www.manpower.rs/en/knowledge-corner/business-culture-switzerland-values-ensure-long-term-success> [Accessed on: 11 Feb 2026]

Xames, D., Tasnim, F., Mim, T. I., & Kiron, A. (2022). COVID-19 and food supply chain disruptions in Bangladesh: impacts and strategies. *International journal of research in*

industrial engineering, 11(2), 155-164. Retrieved from:
<https://doi.org/10.22105/riej.2022.309459.1253>