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Introduction

This report aims to find the factors that relate to the international business for AstraZeneca, the international factors such as the management specific factors, and country-specific factors. This report aims to find the proper resources used by the company to successfully enter the pharmaceutical market of India and also establishes the broad patterns interpreting the goals of the business. This process of internationalisation has been pivotal for AstraZeneca to be able to offer its services and mark its entry into the international markets.

Company Background

AstraZeneca is considered to be one of the most eminent pharmaceutical companies. AstraZeneca is a UK based company that is trying to spread its services to India. According to their company websites, AstraZeneca considers itself a global, science-led and patient-focused pharmaceutical company. They prioritise innovation, which has triggered the growth of the company. The company focuses on the continuous process of R&D which form the prime decision-making skills of the organisation and provide the launches for new medications in the fields such as oncology, biopharmaceuticals and rare diseases. The company has expanded to India to enhance its services. The company is a leading organisation in their treatment of oncology; through its relentless efforts, they have a diverse portfolio. India has a vast population (Astrazeneca, 2022). The company has expanded to India to provide its services in the country due to the large demand for medicine in the country.

Company's Objectives

The primary objectives of AstraZeneca are that the company wants to provide their medicines to various parts of the world, the company aims to achieve different factors and deliver different life-saving medicines, Moreover, the company aims to provide

medicines to provide personalised healthcare for the patients. The company thinks that the future of medicine lies in the treatment of various diseases lies in the process of uncovering different medicines, the company is always striving for breakthrough science and developing novel and targeted therapies. The company is also expressing their R&D to better its medicines in the field of cardiovascular, renal, metabolism, oncology and respiratory (AstraZeneca, 2022). According to the company's global website the company is always striving, the company has been one of the significant companies that have been led by scientific R&D and has been focussed on leading the different therapies and moreover, their diversified portfolio has helped in the process of caring for primary, secondary and rare diseases.

Country Specifications

The countries of the United Kingdom and India are highly diverse, while the UK has been one of the developed countries, India is recently growing and is attracting an array of foreign business. It has been observed that cultural values tend to influence different workplace behaviours, Hofstede has been one of the most significant tools that can provide a framework for culture between the parent and the host country of AstraZeneca (Zhou and Kown, 2020).

Power Distance: According to this UK, stands low in Power distance, which means that the country believes in minimising the inequalities among different people, whereas India stands high, and the host country appreciates the notion of hierarchy and a top-down structure for societies.

Individualism: At 89 UK is one of the highest individualistic countries The children from their childhood are taught to think about themselves and provide information that the root of happiness is personal happiness, India has an intermediate score of 48 which provides an amalgamation of collectivist and individualist approach, this approach of collectivism helps the Indian culture to strive for a greater good. This

intermediate score of Individualism has helped the organisation to expand in the country as Indians display an array of expectations from the employee.

Masculinity: Britain is considered to be a masculine society which is highly driven by success and scored 66. The country has been known to "read between the lines", which states that the country strikes expertly within the notion of what is said is not entirely meant. The Indian society is also considered Masculine with a score of 56, the country has dilated various factors of success and power, moreover, the humility and abstinence in the culture have also provided it to be displaying their power.

Uncertainty Avoidance: UK scores low in this field the country has been observed to be happy to wake up and not know what the day brings, while India has an intermediate uncertainty avoidance and I heartily accept the imperfections, and moreover the tolerance of the country is high.

Long term Orientation: Both the countries rank intermediate in their long-term orientation where their cultures cannot be predetermined.

Indulgence: The United Kingdom scored 69 and is considered to be an indulgent culture. Here people realise their impulses and live life to the fullest enjoying every moment. Whereas India has scored 25 which is not low in indulgence, the country has been observed sometimes to be culturally pessimist, moreover it also proves the fact that people in the country have very less time for leisure (Insights, 2020).

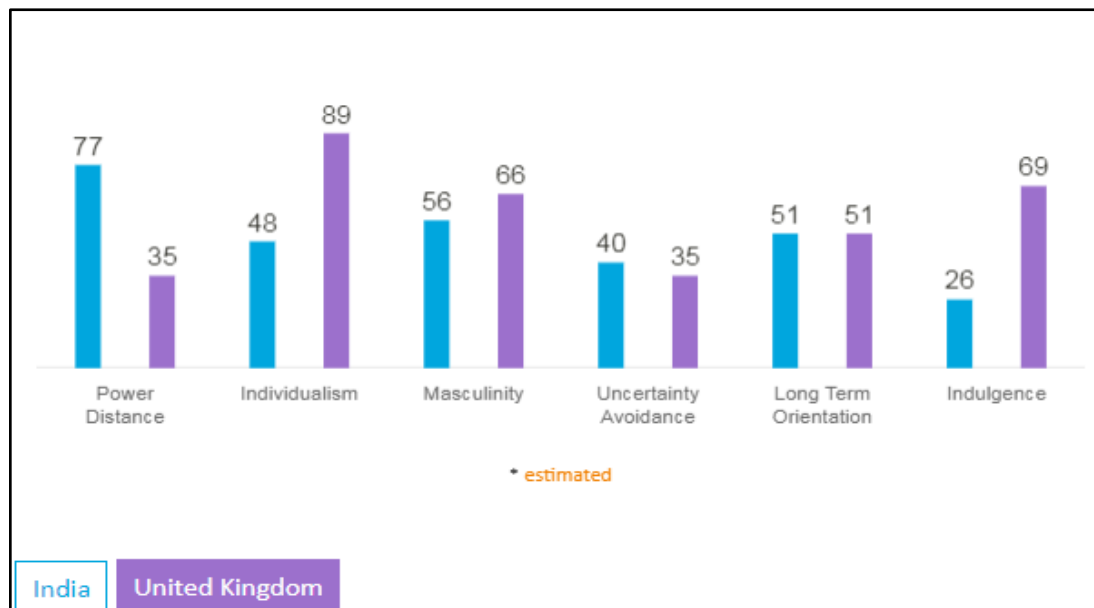


Fig 1: Hofstede Insights

(Source: Insights, 2020)

External analysis

PESTEL Analysis

Factors	Impacts
Political	The allocation mentioned in the budgets has been increasing over the five years. The increasing allocation can bring the affordability and the beneficiaries for the customers. The companies would be getting the support to understand the industry and get in the opportunities via collaborative markets in the foreign direct investment. The price control has increased over the years from 1995 to 2019
Economic	Healthcare spending in India is around 4,7% of the GDP. The availability of cheap labour is very much higher. The cost of production is very much low in comparison to the cost of production in the UK.
Social	The rising health awareness has boosted over the years with the best production of medicines. The population consists mostly consisting of the elderly population. The population can rise to around double in the year 2050. The total population of India is mainly 10% of the total population belonging to the aged group.
Technological	The industrial growth has been very much high with the price growth rising to the 5,35% and the new production going to the stage of the practical volume growth up to 2.7%. The production growth is also in the margin of 2.7%
Legal	The laws of the country are very much strong resulting in the regulation based on the acts on the pharmaceuticals.

Environmental	Sustainability can arrive from the factors of lowering the use of the carbons. The third-largest emitter in the world. India is planning to focus on the value chain sustainability with the emphasis on the investment based on the eco-in-friendly factors.
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Table 1

Porter's five forces

The five forces model that has been developed by Porter posits a view on the organisations, this way the company can provide a competitive advantage in a particular industry by leveraging five significant imperative forces of the country (Goyal, 2020).

Bargaining Power of Suppliers; The bargaining power of suppliers is high, as the suppliers tend to provide the raw materials for the medicines, they can have significant bargaining power over AstraZeneca in the host country.

Bargaining power of buyers: The bargaining powers of buyers are moderate, as the company might provide their medicine for a charity for a particular clinical event in the country due to the huge demand for medicines and low economic status in various parts of India.

Threat of new entrants: Threat of new entrants is low, the pharmaceutical industry in India is huge, with various big domestic and international players in the market, the new entrants are needed to enter the market with a high degree of research which is not possible in a short span of time.

Threat of substitutes: The threat of being substituted is moderate, as there are an array of pharma companies relying on constant R&D, and the threat of being substituted can be moderate.

The rivalry between competitors: The rivalry between competitors is high, this is because India's market has an array of big players in the pharmaceuticals, some of which have been serving the country for a long time, companies like Abbott, Dr. Reddy's are some of the big companies in the market of India.

Market Analysis

Key competitors: There are a serious number of competitors for AstraZeneca in the Indian market. The primary competitor for AstraZeneca in India is another British company known as Pfizer, however, the other competitors in the market are Abbott India, Decipher Labs, GlaxoSmithKline Pharmaceuticals Ltd, Kerala Ayurveda and Sanofi India Ltd. Among these companies some of the companies have either started their market in India and have been highly successful, these companies can provide competitive threats to the organisation (EconomicTimes.indiatimes.com, 2022).

Market size: The company's strategy to spread to India has been due to the immense market size for Pharmaceuticals in India. The advent of the company can ensure an increase in life-saving drugs. India is considered to be the 3rd largest market by volume for pharmaceutical industries and ranks fourteenth in terms of value. The country has a turnover of approximately 39 billion dollars, and the country has shown huge prospects that exceeded expectations in the sense of imports. The country has almost the second-highest number of US_FDA approved plants outside the US. Moreover, the country also provides lower-cost HIV medicines and has been considered the supplier of various low cost and high-quality vaccines (Pharmaceuticals.gov.in, 2022).

Moreover, the Indian pharmaceutical market has unique propositions such as the making up 70-80 percent of the market moreover the dominant position of local players, these key factors have further made companies like AstraZeneca expand their business in the country (McKinsey, 2022).

Key success factors: The huge size of the Indian pharmaceutical market and moreover the huge customer base with enormous demand and supply for medicines in rare diseases are the key success factors for Astrazeneca in India.

Host Country Analysis

Country's National diamond

The country's most attractive point is its huge market size. Moreover, the generic drug usage in the market has also proved to be one of the most attractive points in the Indian market, the DPCD, the organisation which controls the prices has encouraged India to provide generic drugs at a cheaper price (Kolte *et al.*, 2021). India has a huge market size for medicines, as the heavy population lives under the poverty line, the country provides a unique proposition in the formulation of medicines, hence government projects and even schemes could be undertaken which can bring about a hefty revenue from the country, moreover, the country is considered to be a growing economy which can further provide the company with a better enthusiasm in expanding.

Country's Business risks

Apart from the large market, there are various risks in the market, AstraZeneca needs to properly evaluate the risks, India's economy is highly influenced by geopolitical implications. However the Indian pharma companies have been facing risks due to their tolerance of the company's different patent lawsuits, moreover, different lawsuits have been providing risks to the Indian pharma stocks (Somvanshyi, 2022). The country has also been characterised by small but significant inflations in the market which can be a risky business for a new company like Astrazeneca when entering the Indian market.

Internal Analysis

Global value chain

Different factors have contributed to the international expansion of the company to a much more diverse market. Uppsala framework can be identified as the most notable framework that any company has observed during their process of international expansion.

The Uppsala model has been observed to explain the internationalisation process within the firms, this model emphasises the importance of networks and tends to introduce the insiders and outsiders dichotomy. Moreover, this Uppsala model has also identified the headquarters ' subsidiary relationships (Schweizer and Vahlne, 2022).

AstraZeneca needs to know the market of India before entering the market. Foreign market entry knowledge can help the organisation create a better and certain market entry strategy for India (Martin *et al.*, 2022). According to the Uppsala framework, this market commitment can be essential to creating commitment decisions for the firms. Moreover, the current activities of AstraZeneca will constitute the decisions relating to market commitment. This Uppsala framework has been crucial for the internationalisation of the business. It can be observed that there is a positive correlation between the market knowledge and the different commitment decisions of AstraZeneca influencing their international expansion. The relationship between the market knowledge and commitment decisions has been known to influence various decisions regarding the international expansion of the company to India. It can be observed that experience can build the knowledge of an organisation within the markets. This knowledge of the market will enable various processes in the decision making of the individuals, this commitment to the market and the activities of expansion for AstraZeneca. This framework can be considered to be dynamic and it can be observed that commitment to the market might decline or cease if the performance tends to be lower (Arvidsson and Arvidsson, 2019).

AstraZeneca before entering the Indian market is needed to know about the market commitment and the different decisions, they have to make to enter the already competitive India's pharmaceutical landscape.

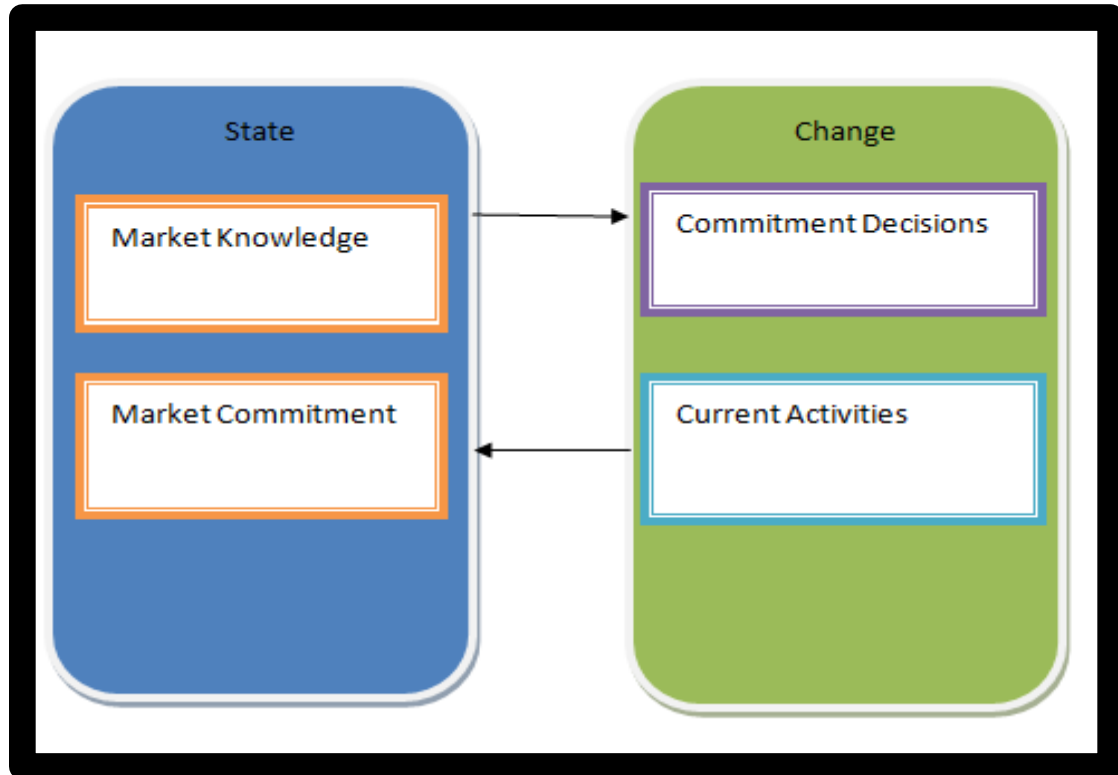


Fig 2: Uppsala Framework

Source: (Self-Created)

The VRIO framework can provide AstraZeneca with an array of opportunities, the VRIO can provide the company with a much more sustainable competitive advantage within the international markets of the organisation. The VRIO framework is composed of Valuable, Rare, Imitable and organisation. AstraZeneca has primarily patented assets that are tended towards the idea of further innovation. Their execution has been dependent on the country of origin image can provide a competitive advantage when analysed through the VRIO framework (Suter *et al.*, 2018). As the VRIO framework poses a need for sustainability within the organisation, hence the VRIO framework

can be analysed by focusing on the different ways of sustainability for both the environment and the business within an international concept. The sustainability of the AstraZeneca according to VRIO are:

	Valuable	Rare	Imitable	Organised to exploit
Strong market presence	Yes	Yes	Yes	No
Constant research and development	Yes	Yes	No	No
Serving the customers regarding various diseases	Yes	No	Yes	Yes

These two frameworks provide insights on how the home soil and national market knowledge will help the company in the latter decision making of the organisation moreover it also provides insights on the different operations and activities of the company that can lead to the market commitment for AstraZeneca while entering the pharmaceutical market of India.

Global Production

Global production and operations management can lead to different competencies that can deal with the production of goods in the international markets while adhering to the local companies' productions, India is a market characterised by the local players in pharmaceuticals, to be globally productive AstraZeneca needs to properly identify the market and adhere to the local players.

Global Marketing

In order to market their and identify the distinct group of consumer products globally AstraZeneca needs to segment its market on a basis and identify the different purchase behaviours than the others (IB Week 9, 2022). AstraZeneca has already segmented its products which target primarily medicines for rare diseases. Moreover, proper identification of the culture can be helpful for the company in Global marketing.

Global HRM

AstraZeneca needs to properly identify the different notions of humans they can officiate their human resource strategy such as staffing, performance evaluation and management development and also the company needs to ensure that there is an almost perfect fit between the human resource practices and strategy (IB Week-8, 2022). Human resources also need to be aware of the culture in the country which can provide them with a competitive advantage.

SWOT Analysis

Strength The high skilled English-speaking generations are existing in the market. The result can be the cause of the speaker increasing along with the efficiency in the marketing. The innovation can bring the cost allocation to be increasing but the operation can below.	Weakness The whole infrastructure of the Indian pharmaceutical company is very much low. There is the stiff competition which is resulting in poor health insurance and poor medical services in emergency conditions. The price regulation is very much affecting adversely the
Opportunities Huge demand is there in the generics as there is a rapid growth coming in the cost advantage of the manufacturing of the segmented business in the Indian market. There are many scopes India' of the new health companies which would boost the business of the generation of new health insurance schemes.	Threats The Indiana government is trying to focus on the regulation of the monitoring of the illegal drugs but under this monitoring, the ceiling pieces are negatively getting affected. The entry of foreign companies is bringing huge competition to the country. The country would be seeing the struggle of the Indian pharmaceuticals struggling in the matter and the industrial targets.

International Strategies

The company is needed to adhere to the different notions of how they can expand on an international level, the company can use the process of direct export as a method of international strategy, with the help of direct export the company can effectively provide their products in the international markets, moreover, direct export to the customers, without baby mediator can be highly competitive for the company bringing in a heavy revenue. This notion of direct export can provide more control over the

export process. This can provide potentially huge profits and also enhance the overseas customer relations

Market Entry Modes

The new structure and the system in the international market strategy can be depending on the global market pharmaceutical industry consisting of innovators and generics. The generic industry can be growing with the spending on the growth of the global pharmaceutical spending. The openings are mainly bringing in differentiated products to the promotion as the generic market is very much competitive. The innovative market is very much dependent on the generation of the safety journeys and the segment characterising the potential to have the momentum on the qualities. Determining the industry-specific structure the company is deciding to come up with a sustainable means of operating in the Indian market.

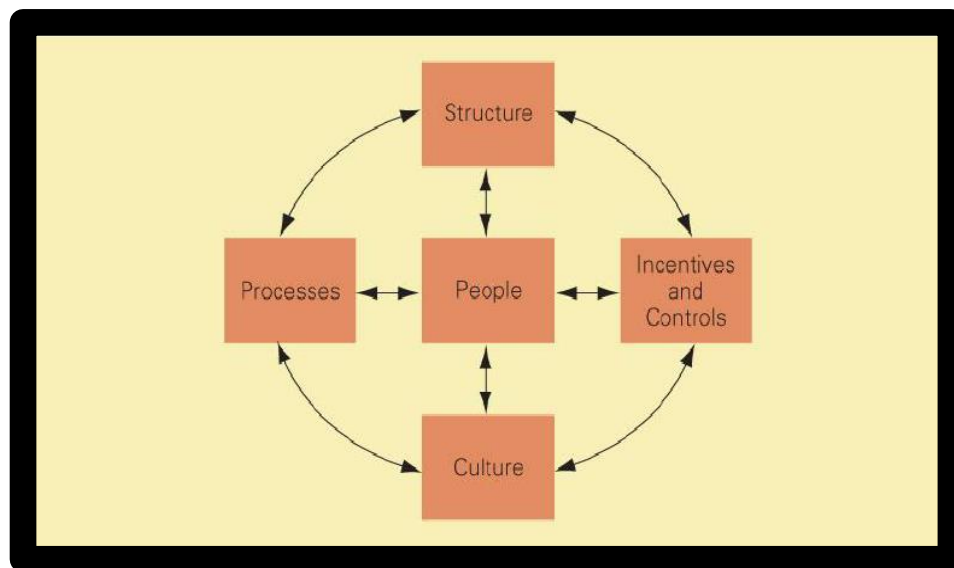


Figure 3: Organizational Infrastructure

(Source: Research Gate)

The organisational architecture is going to be relatable with the best means of understanding the business strategy the company is bringing by reading the variables of the market. The market has the biggest supplier in the generic part of the business.

The business is going to be covering the biotech structures and the business with the key development from the scientists coming from the biotechnological background, Moreover. The incentives generated from the government of India are mainly for the development of the production and the production with the incremental sales coming with the high tech use of the distribution of the medicines at the lowest affordable rates (Kumar, *et al.*,2019)

Deciding on such a structure, AstraZeneca is deciding to come up with the acceleration of the high potential that led to interconnected health care facilities. The health care facilities would cover up the global business of framing the healthcare systems with the cases of reaching 31million people(Farhan, and Yamen,2019)

CSR

With their CSR implications the company aims to make a positive influence on society and contribute to the betterment of society. The company aims to eradicate hunger, poverty, and malnutrition. Another point that encircles the notions of AstraZeneca is promoting health and providing preventive care. In their CSR the company also aims to provide and promote education in the country and also provide employment enhancing different vocational skills. As the company provides best in class medicines, it aims to tackle immunodeficiency diseases and also ensure a reduction in the problems of child mortality. One of the prime implications of CSR is environmental sustainability, it has been addressed in the company's CSR practices, which states that the company would be maintaining ecological balance and providing care to flora, fauna. The company also aims to address the notions of gender equality and the protection of national heritage.

Sustainability report

Achieving sustainability is considered to be one of the major concerns for the pharmaceutical industry. Manufacturing different medicines or vaccines is comprised of several complex processes and is highly responsible for different waste generation and GHG generation. It has been observed that Indian pharmaceutical companies are still hesitant on the while disclosing environmental and issues on energy of a company. Furthermore, in the Indian market, there is a disclosure index on the

Environmental practices of the company, such as consideration of clean technology, energy consumption, and environmental management (Sharma *et al.*, 2020). AstraZeneca thinks that taking action to drive sustainability is considered to be one of the most significant factor in driving innovation. Moreover the company also entitles sustainability in their reports which entails that sustainability is at the heart of all the innovation within the company. The company in their report mentions that they aim for a society with healthy people, a healthy society and healthy people. The company has been united with the notion of pushing different boundaries for science and provide life changing medicines. As the primary notion of healthcare, AstraZeneca's primary sustainability, this can be considered to be the home of patient enabled healthcare. Moreover they are aimed at patient enabled care practices, inviting the internal and external stakeholders to contribute their views have also helped the company in assessing healthcare (AstraZeneca, 2022). According to their sustainability management the company aims to achieve their notion of zero carbon. The company has emphasised upon the water usage, waste reduction, API efficiency which are on plan however their sustainable sourcing is lagging behind.

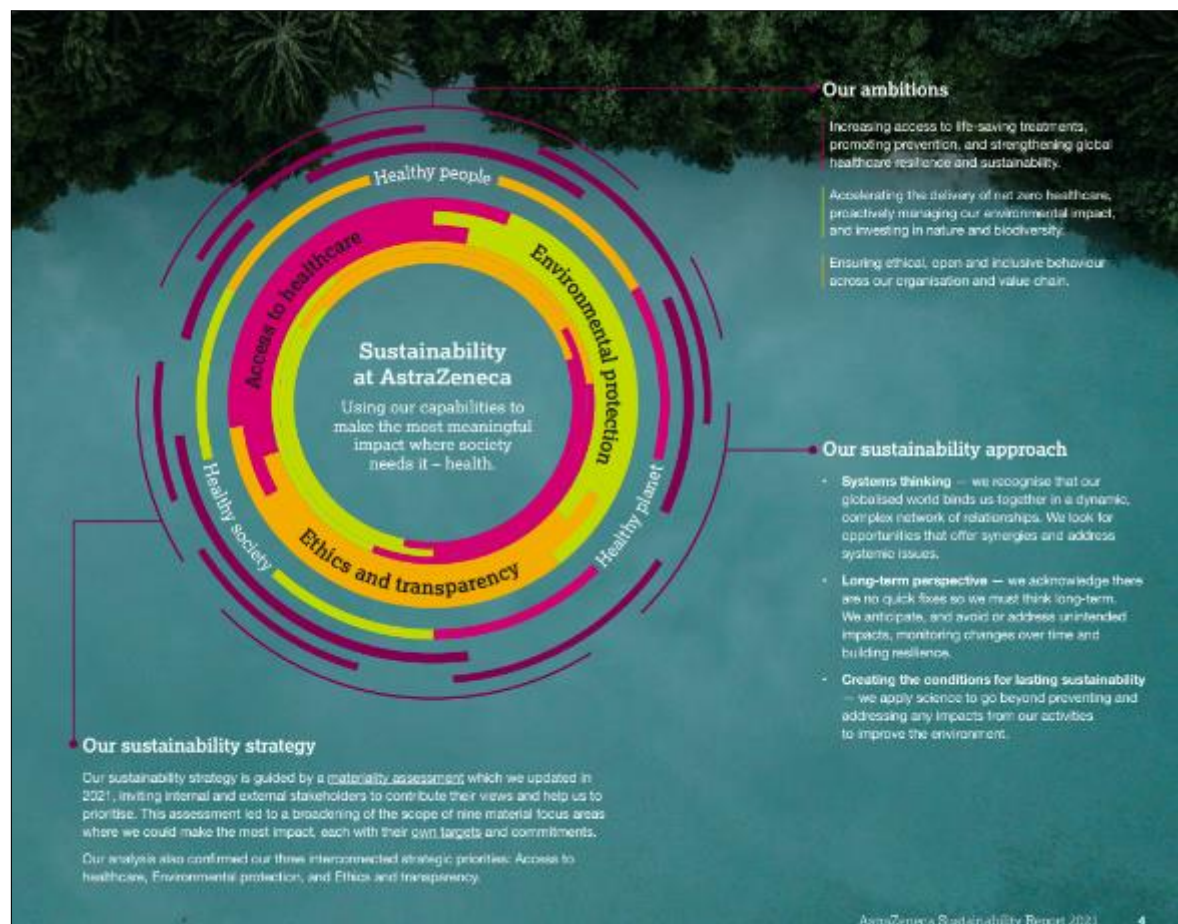


Fig 4: Astrazeneca Sustainability

(Source: Astrazeneca.com, 2022)

Annual Report

In their annual report Astrazeneca has aimed to deliver growth and therapy area leadership, the annual report has of the company has further been significant in providing information on what the company has been owing to prevent and research on issues such as oncology, respiratory disease and cardiovascular and renal diseases. There are further innovations that the company has taken to innovate the different challenges and has further been highly efficient and reach key partners. India Swerden innovation centres AIIMs Jodhpur provides a life centre of excellence and furthermore accelerator programmes has been highly helpful for the companies. The CoE at Jodhpur has helped in the treatment of more than 60000 among which

8000 has been properly diagnosed. Furthermore, the Ganga –Godavari cancer programme, and New Normal Same cancer campaign has been highly influential in the country.

Conclusion

The international organisation taken for the assignment is AstraZeneca where the prime focus lies in the part of understanding the internationalisation of the business in the Indian market. The market mainly looks at the matter of the market segment where the main issue is to see the best means of the supply chain of the drugs, life-saving biomedicines and the vaccines are being produced with the alignment of the local market. But the company is facing the problem of looking at the risks developed in the Indian market which ultimately masks the company to realize the need of understanding the risk and then go through the pattern of locating the variables and the stock market which will help in understanding the moves of the international business.

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