



THE APPLICATION OF INTERNATIONAL BUSINESS
COMMUNICATION IN REISS CLOTHING COMPANY

Jiacheng Su

ABSTRACT

This study aims to explore the application of international business communication in Reiss Clothing Company. International business exchanges refer to the process of commercial activities and exchanges between different countries, and have become an indispensable part of the modern globalized economy. Reiss Clothing Company is an internationally renowned fashion brand facing the challenges and opportunities of expanding its business in the international market. The results of this study will contribute to a deep understanding of the role of international business communication in Reiss Clothing Company, and provide practical experience and inspiration regarding international business communication for other fashion brands and multinational enterprises.

Gwyneth Jones

International business communication

Executive Summary

As globalisation continues, the expansion of enterprises in the international market has become an important part of their development strategy. The aim of this thesis is to explore the importance and application of cross-cultural communication theories for firms to expand their business in different cultural contexts. Through a literature review, we systematically summarise several key cross-cultural communication theories, including Hofstede's cultural dimensions theory and Hall's high- and low-context cultural theories, and analyse the role of these theories in understanding different cultural identities.

In the form of a case study, the paper shows how companies can apply these theories to address practical cross-cultural communication barriers when entering new markets, including adaptation to language differences, business etiquette, management styles and negotiation strategies.

We also discuss the impact of cultural contexts on corporate strategy development, emphasising the critical role of intercultural competence in international business success. Finally, the thesis identifies future trends and challenges in the expansion of intercultural communication in global business and offers suggestions on how to enhance the intercultural communication competence of corporate employees through education and training. Overall, this thesis highlights the significant value of a deeper understanding and application of intercultural communication theory to a firm's internationalisation strategy and the need to succeed in a multicultural environment.

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1.0 Introduction

This thesis will examine how the British high-end fashion brand Reiss has expanded its business in China, a country with complex cultural and market characteristics. Firstly, it analyses the uniqueness of the Chinese market, including consumer behaviour, fashion trends, economic environment and policies and regulations, and assesses how these factors affect Reiss' market entry and expansion strategy in China. Through an in-depth study of Reiss' brand positioning, product strategy and marketing tactics, the paper discusses how the brand should adjust its business model to meet the expectations of Chinese consumers, while maintaining its high-end and unique brand image.

The paper also analyses the cultural challenges faced by Reiss, the importance of establishing international business communication as well as the skills required and the correct communication methods, the cultural differences caused by high context and low context backgrounds, how multinational companies can establish effective communication, the differences between international cultures, the 7 cultural dimensions of Trompenaars, the importance of how companies can establish good relationships and the reasons for building trust and relationships that lead to failure. trust and the causes of failed relationships

In the concluding section, the paper summarises the key factors required for Reiss to successfully expand its business in China, including a flexible market entry strategy, localised products and marketing, a strong supply chain system and a deep understanding of Chinese culture. It also points out that as the Chinese market becomes increasingly competitive, Reiss will need to continue to innovate and adapt in order to maintain its market position. Finally, it presents new challenges and opportunities that Reiss is likely to encounter in the future and provides strategic recommendations on how to maintain sustainable development and growth.

case

Reiss is a British fashion brand that has grown to offer high-end fashionable clothing for men and women. Renowned for its sophisticated designs, quality fabrics and fine workmanship, Reiss aims to offer mid-range to high-end products for those seeking style and quality. With a product line that spans formal and casual wear, footwear and accessories, and a strong focus on product volume, Reiss has opened shops around the world as the brand grows internationally, including major fashion cities such as London, New York and Dubai. In addition to its physical shops, Reiss also sells its products online through its official website, covering a wide range of international markets. Whilst Reiss, like many other fashion brands, has faced challenges in the face of global economic uncertainty and changes in the retail environment, it remains committed to maintaining the high quality of its products and its brand image, and adapting its business strategy to meet the needs of an ever-changing market.

2.0 – Main Findings

This chapter covers the skills required for communication in international business, the right way to communicate, the difference between high and low context, how to communicate effectively, international cultural differences, the importance of building relationships, how to build trust and what causes trust, and what leads to good business. Reasons why relationships fail.

2.1 – International Business Communication

Reiss wants to expand internationally. It is important to develop good international business communication skills because international business communication plays a vital role in business operations, especially for multinational companies or organisations seeking to enter international markets. Aspects of the importance of international business communication for businesses include, market entry and expansion, good business communication skills which can help a business successfully enter new international markets and establish co-operation with local partners. Through effective communication, companies can better understand the business environment, cultural practices and consumer needs of the target market, so as to develop appropriate market entry strategies and product positioning. Building Trust and Relationships In international business, building and maintaining good relationships is the key to success. Through efficient, respectful and sensitive communication, companies can build trust and long-term relationships with customers, suppliers, distributors and other business partners, which can help to stabilise the business and facilitate future co-operation opportunities. Cross-cultural understanding international business often involves individuals and organisations from different cultural backgrounds. Good communication skills help businesses understand and respect multicultural differences, avoid misunderstandings and conflicts, and work more effectively with team members from different backgrounds. (Griffith, 2002)

Reiss companies that want to expand internationally should also be able to negotiate and make decisions. International business communication is essential for effective agreement and negotiation, whether it's discussing contract terms with a supplier or negotiating a price with a customer, clear, professional communication is the key to success. (Cai & Drake, 1998)

In order to expand into China Reiss should also maintain its corporate brand and image because international business communication also has a direct impact on a company's brand image and reputation. Through consistent brand messaging, professional PR activities and proactive customer service, a company can build and maintain a positive brand image in the international marketplace, which will help to build customer satisfaction and loyalty to the brand. (Srivastava & Sharma, 2013)

Responding to crises in the face of challenges and crises, effective communication is vital to help companies respond to issues in a timely manner and minimise negative impacts. Through transparent and timely communication, companies can maintain stakeholder confidence and protect brand reputation. (Radovic Markovic & Salamzadeh, 2018)

International business communication is an important factor in the success or failure of a successful business operation, not only affecting the efficiency and effectiveness of day-to-day operations, but also the long-term survival and growth of the organisation on the global stage. Therefore, companies need to invest in employee communication training, establish effective communication channels and continuously optimise their communication strategies to adapt to the ever-changing international business environment.(Taylor, 1991)

2.2 – Skills Requirements

In international business communication, companies should develop and possess the following key skills to ensure success in doing business in different cultures and market environments. The following basic skills are necessary to tap into the international market, such as intercultural communication skills, an understanding of communication styles and etiquette in different cultures, and the ability to communicate effectively in different cultural contexts.(Louhiala-Salminen & Kankaanranta, 2011)

For example, adaptability and flexibility: the ability to adapt quickly to different business environments and practices, openness to new situations and challenges, and the ability to flexibly adjust strategies. International Market Knowledge In-depth knowledge of the global marketplace, including the economic, legal, political and social environments of different countries. Business Negotiation Skills Ability to conduct effective business negotiations, taking into account cultural differences, to reach mutually satisfactory co-operation agreements.(Cingöz & Akdoğan, 2013)

2.3 – Methods of Communication

2.3.1 High-context and Low-context

High-context and low-context is a concept developed by an American anthropologist (Edward T. Hall) in the 1960s to describe differences in communication styles across cultures and differences in the extent to which the same culture or social group relies on non-verbal information in the communication process.(Oliver, 2016)

Understanding the differences between high-context and low-context is essential for cross-cultural communication, international trade, diplomatic relations and globalised business management, as people from different cultures may understand and interpret the same message in very different ways.(Korac-Kakabadse et al., 2001)

Chinese culture relies heavily on non-verbal cues and shared cultural contexts to convey information. In everyday communication and business communication, Chinese people tend to be subtle and suggestive rather than direct. Family, social relationships and personal connections play an important role in communication. The UK is closer to a low-context culture.

Whilst there is still a degree of subtlety and politeness in British culture, the British tend to be more direct and explicit in their communication than the Chinese. The British usually value clear messaging and presentation of facts in business communication.(Zhang et al., 2015)

Business Negotiations: In high-context cultures, business negotiations often require more time and patience, as building relationships and trust is important. In low-context cultures, the focus may be more on clear terms of the contract and direct discussion. Decision-making processes: Decision-making processes in high-context cultures may be more indirect and collective, whereas decision-making in low-context cultures may be more direct and individualistic, management styles: In high-context cultures, management styles may favour indirect direction and leadership, whereas in low-context cultures, explicit instructions and expectations may be preferred. In order to succeed in different contextual cultures, companies need to develop cross-cultural communication skills, understand and respect local business practices, adapt communication strategies, and take a flexible approach to adapting to different cultural environments.(Korac-Kakabadse et al., 2001)

2.4 – Effective Communication

When Reiss wants to develop business in the Chinese market, strategies for establishing effective communication may include the following: Cultural adaptation and sensitivity, First and foremost, it is vital to understand Chinese culture, business practices and consumer behaviour. This includes understanding the cultural meanings of holidays, colours and numbers, as well as etiquette and business negotiation processes. Companies should respect the local culture and demonstrate this respect in their communications. Language barriers to overcome: While English is widely used in the Chinese business environment, communicating in Chinese can be more effective in engaging target customers. Consider hiring bilingual staff or using professional translation services. (Scott, 2015)

Localisation strategy Localise products and marketing strategies to meet the tastes and preferences of Chinese consumers. This may involve adjustments to product design, advertising language and marketing campaigns. Utilise appropriate marketing channels: China has a unique social media ecosystem, such as WeChat, Weibo and TikTok. Establishing communication with consumers through these platforms is crucial. Build partnerships: Partner with local distributors, retailers and e-commerce platforms to leverage their understanding of the market and established customer base. Comply with laws and regulations: Chinese laws and business rules can be very different from the markets Reiss is familiar with, so complying with local regulations in communication and business processes is a must.(Singh, 2011)

The importance of effective communication to promote market acceptance Through effective communication, Reiss can better communicate its brand values and product features, thus promoting market acceptance and consumer awareness. Brand building: Effective communication helps to build and maintain brand image in new markets, increasing brand awareness and reputation. Risk management: Effective communication helps to identify and

respond to market risks, such as misunderstanding consumer needs or failing to respond to market changes in a timely manner.(Husain, 2013)

2.5 – International Culture

As two countries with a long history and rich culture, the UK and China show significant cultural differences in many aspects. These differences can be manifested on a number of levels, including language, business etiquette, social structure, values and so on. The following are some of the key points of cultural difference including, language and communication styles: UK: English is the official language and the communication style is usually considered to be subtle, avoiding direct confrontation, with a sense of humour. China: Chinese (Mandarin) is the official language and communication tends to be indirect and subtle, especially when expressing disagreement. Direct criticism may be seen as impolite.(Easterby-Smith et al., 1995)

Business etiquette: UK: Business environments are more private, emphasise appointments and time management, and are often straightforward and pragmatic. China: There is more emphasis on relationship building (rapport) in business dealings, with an emphasis on courtesy and face-saving, and there will be more banquets and gift exchanges to build and maintain business relationships.(Yang, 2021)

Authority and hierarchy: UK: Although hierarchical, free discussion and open communication between superiors and subordinates is encouraged at work. China: More hierarchical and respect for authority is an important cultural trait. In many cases, subordinates are discouraged from questioning superiors.(Hofstede, 1983)

2.5.1 - Trompenaar's 7 dimensions to culture

As Riess Clothing plans to do business in China, it is important to understand and consider these cultural dimensions. Below are the seven cultural dimensions of Trompenaars and how they may affect Riess Clothing Company. (Trompenaars & Hampden-Turner, 1993)

See the appendix for details

2.6 – Importance of Building Relationships

It is vital for organisations to build good relationships, both internally (employees, management, shareholders) and externally (customers, suppliers, partners, government agencies). Building good relationships has many advantages Enhancing trust Building good relationships helps build trust, which is the basis for business transactions and co-operation. Facilitates communication When relationships are good, information flows more smoothly, helping to communicate and solve problems more effectively. Enhances Efficiency Good

relationships reduce misunderstandings and conflicts, which leads to more efficient decision-making and execution.(Jiang et al., 2011)

Therefore, the importance of building relationships in a business environment cannot be over emphasised. Strong relationships are the foundation of any company's success and growth. A few reasons why building relationships is important to a company are Customer Loyalty: building strong relationships with customers encourages repeat business. When customers feel valued and understood, they are more likely to be loyal to your brand and make future purchases. Referrals and Word of Mouth Satisfied customers and business partners who have a strong relationship with your company are more likely to recommend your business to others, which can be a powerful form of marketing. Effective Communication Good relationships facilitate open and effective communication. When a foundation of trust is established, all parties can share information freely, leading to better decision making and problem solving. Employee Satisfaction: Positive relationships within a company help create a pleasant work environment, which leads to increased employee satisfaction and retention. This also helps attract top talent.(Ulaga, 2003)

2.7 – How to build Trust

Riess If you want to conduct better business activities in China, you must understand the differences: first of all, you must realize that there are differences in culture, business habits and values between China and the UK. For example, Chinese culture emphasizes guanxi networks (i.e., “guanxi”), while British culture may focus more on contracts and rules. Understanding these differences can help avoid misunderstandings and conflicts, but also respect cultural etiquette: Be familiar with and respect each other's business etiquette and social customs. For example, British people may prefer formal business meetings, while Chinese businessmen may value building relationships in informal settings such as the dinner table. (Solomon & Flores, 2003)

Further building trust can also be achieved through the establishment of a network of relationships between businesses, as personal relationships play an important role in business in China. Investing time and effort in building a solid network of relationships is key to building trust. This may mean participating in more social events and informal meetings. Long-term commitment: Show your long-term commitment to the partnership, rather than just looking for short-term gains. In China, long-term and stable business relationships tend to be more trustworthy. Transparency and integrity are very important. Honest communication of the business goals, intentions and limitations of both parties can build trust. Transparent operations and open communication are critical to cross-cultural business relationships.(Shahid & Azhar, 2013)

Building trust also requires adapting to each other's management styles. China and the UK may have different management styles, such as power distance, risk acceptance and decision-making methods. Understanding and adapting to the other person's style can help facilitate collaboration. Shared values and goals: Find the values and business goals that both parties share and build cooperation on this basis. This helps both parties see the long-term value

of the collaboration, thereby deepening trust. Building business trust is a long-term and ongoing process that requires investment and efforts from both parties. Through continuous communication and cooperation, Chinese and British companies can gradually deepen mutual understanding and trust.(Akbar & Parvez, 2009)

2.8 – Failed Relationships

Failure of a business to establish relationships may be caused by a variety of factors, which may be internal, external, or the interaction of the two. Reasons that can lead to failed relationships include miscommunication leading to misunderstandings and trust issues, insufficient communication within the organization or with partners, which can lead to a breakdown in relationships, or misalignment of stakeholders' goals: the organization and its employees. Or if partners' goals are misaligned, it can lead to directional inconsistency, which can lead to relationship failure. Leaders and employees lack the necessary trust: Trust is the foundation for the success of any relationship. If a company cannot build trust, or if trust is broken, relationships will be difficult to maintain. Unfair collaboration, if one partner feels taken advantage of or not treated equally, this imbalance can lead to a failed relationship. Poor management by managers and ineffective management may lead to low employee morale and reduced efficiency, which in turn affects the establishment and maintenance of corporate relationships. Changes in the external environment, market changes, economic recession, political instability and other external factors may also affect the establishment of corporate relationships.(Ooghe & De Prijcker, 2008)

To avoid these problems, companies should focus on establishing transparent communication channels, ensuring consistency of values and goals, maintaining a high level of trust, maintaining fair and reasonable partnerships, and adopting effective management strategies. At the same time, enterprises also need to constantly adapt to changes in the external environment to maintain the stability and development of their relationship networks.(Kay, 1995)

3.0 – Conclusions

International business communication is of great significance and value to enterprises. It can help enterprises expand markets, build trust, solve problems and improve efficiency, thereby achieving long-term development and success of enterprises.

Appendices

Trompenaars 7 dimensions to culture

Universalist cultures value rules and standards, while particularist cultures value relationships and situations. China's tendency towards particularism means that Riess Garment Company needs to emphasise building and maintaining relationships, especially with partners and customers, when conducting business.

Collectivist cultures emphasise the interests of the group and society as a whole over the interests of the individual. China is a collectivist society, which for Riess means that they need to emphasise teamwork and social harmony in their marketing and management.

Emotionally expressive cultures encourage people to express their emotions, while emotionally neutral cultures tend to control and hide them. Chinese culture is generally considered to be more neutral, and the employees of Riess Clothing should control their emotions when dealing with Chinese partners in order to avoid misunderstandings.

Specificist cultures have relatively separate spheres of life (e.g. work and private life), whereas diffusionist cultures have intertwined spheres of life. Chinese culture is more diffusionist, which means that Riess may need to gain a more comprehensive understanding of the lifestyles and values of its Chinese partners and customers.

Achievement cultures, where people gain social status through personal achievement and performance, and attribution cultures, where status is based more on attributes such as age, gender, educational background, etc. Riess Clothing may need to give more consideration to the impact of these attributes in business interactions in China.

Sequential time cultures emphasise the strictness of scheduling and staying on track, whereas synchronous time cultures value multi-tasking and flexibility. The more flexible concept of time in China may require Riess Clothing to maintain some flexibility in scheduling meetings and deadlines.

Internal control cultures believe that humans have control over nature and the environment, whereas external control cultures believe that environment and fate have a strong influence on people. Respect for destiny and the pursuit of living in harmony exists in Chinese culture, and Riess Clothing may need to take this emphasis on harmony and nature into account in its business strategy and product design in China.

Understanding and adapting to these cultural differences will help Riess Clothing to better integrate into the Chinese market, build trust with Chinese consumers and successfully conduct business. This includes taking into account the differences between Chinese and Western cultures in advertising, product design, customer service, business negotiations, employee management, etc., and adapting and strategising accordingly.

4.0 – Recommendations

If communication fails, Riess is advised to take the following steps

Learn and understand the other party's culture: Companies can increase their understanding and respect of the other party's culture by learning and understanding the characteristics, values and behavioral norms of the other party's culture, thereby better adapting to and understanding the other party's communication methods and preferences.

Establish cross-cultural teams: Companies can form cross-cultural teams composed of employees from different cultural backgrounds, who can work together to solve communication problems and learn and communicate with each other at work to promote cross-cultural understanding and cooperation.

Recruit local talent: Recruiting local talent can help companies better adapt to and understand local culture and context, and build closer relationships with local employees and customers. Local talent is often better able to understand local markets and consumer needs and provide businesses with customized solutions.

Understand local culture and values: Businesses should understand the characteristics of local culture and values in order to better understand and adapt to the expectations and behaviors of local employees and customers. This can be achieved by learning about local culture and participating in local community activities.

Adapt to local regulations and business environment: Enterprises should understand and comply with local regulations and business environment to ensure that their operations are legal and compliant. This can be achieved by building good relationships with local partners, seeking professional advice and participating in local chambers of commerce.

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