



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

Master of Business Administration

Student Name: Prashant Rathod

Student ID: 2431299

Module: International Business Concepts

Module code: LCMB7034

Lecturer: Jean Wang

Selected Company: Uniqlo

Word Count: 5459

Submission Date: 15th December 2025

Table of Contents

1	Introduction.....	3
2	Benefits and Challenges of International Operations	3
2.1	Uniqlo as a Multinational Corporation (MNC/TNC)	3
2.2	Economies of Scale and Global–Local Strategic Integration	4
2.3	Innovation and Global Value Chain Management	4
2.4	Sustainability and Ethical International Operations	5
2.5	International Entry Modes, Financing, and Market Expansion	6
3	OLI Framework (Ownership, Location, Internalization) and Its Impact on International Market Entry	7
3.1	Ownership Advantages	8
3.2	Location Advantages.....	8
3.3	Internalization Advantages.....	9
3.4	OLI Framework on the Uniqlo International market entry.....	10
4	Cultural Differences and Their Impact on Market Entry Strategy.....	11
4.1	Consumer Behavior Cultural Differences.....	11
4.2	Business Practices and Negotiations Styles.....	12
4.3	Marketing and Communication styles	13
4.4	Workforce Management and Organization Culture	13
4.5	Accustoming to the Local Legal and Regulatory Systems	14
5	Recommendations for Adjustments in Standard Operating Procedures (SOPs)	14
5.1	Adaptation to Product Offerings and Customer Behavior	15
5.2	Marketing and Communication Strategy Customization.....	15
5.3	Adaptation of Workforce Management and Organizational Culture	16
5.4	Taking Advantage of Local Supply Chains and Logistics	17
6	Conclusion	18
7	Reference list	19

1 Introduction

This report is a comprehensive analysis on the international businesses of Uniqlo, the benefits and issues of foreign expansion. It is intended to establish the reasons as to why Uniqlo is a multinational business (MNC) and to examine the significant features of its international business. It encompasses an international status of the company, modes of entry methods that have been employed by the company and strategic strengths and weaknesses of the company. The report will be structured in the different sections where it will discuss how Uniqlo can be termed as an MNC/TNC, the type of global operation that Uniqlo has, the entry modes that Uniqlo uses in the international markets and the benefits of the international operations. It will be critically discussed in terms of the OLI framework, the cultural differences to be encountered in entering the market and the adjustments that ought to be made on its Standard Operating Procedures (SOPs) in the emerging economies. This report concludes with realistic recommendations on how to transform Uniqlo to be more global.



Figure 1 Company: Uniqlo

2 Benefits and Challenges of International Operations

2.1 Uniqlo as a Multinational Corporation (MNC/TNC)

Uniqlo, being one of the leading universal fast-fashion brands, is regulated by the framework of multinational (MNC) or transnational corporations (TNC) due to the fact that it has over 20 countries located on all continents, including North America, Europe, Asia, and Oceania. The wide geographic spread that encompasses more than 2,000 stores worldwide allows Uniqlo to

capitalize on the number of different consumer segments and drive market shares in different geographies (Mirza et al., 2020). The very fact that the company has been able to maintain a competitive edge over all other companies in the world is considered to speak its volumes in terms of the influence and effectiveness of its operations. The market share of the international apparel industry indicates that Uniqlo is skillful at crosscutting through international markets and therefore, it is a perfect example of an MNC/TNC. The ability of the company to work effectively in most foreign markets, to endure the complexities of foreign direct investments (FDI), international trade, and international operation are typical of the multinational corporations (Yang, 2020).

2.2 Economies of Scale and Global–Local Strategic Integration

Uniqlo being a multinational organization, it enjoys economies of scale due to its global nature, economy of resources and production/marketing strategies to take advantage of synergies of various regional markets. This has enabled the company to achieve a blend of localization and global standardization that has allowed it to achieve a consistent brand image as it responds to different market circumstances and consumer preferences in different markets. This flexibility is essential to the growth and success of Uniqlo in that it enables the company to overcome regulatory variations, consumer needs and supply chain logistics peculiar to the countries that the company operates in. The characteristics of a typical MNC/TNC are evident in the management of cross-border operations, including research and development (R&D) processes to production processes, sales and marketing. A stable supply chain, global approaches to marketing, and localization contributes greatly to Uniqlo being able to enter various markets and maintain longer-term growth.

2.3 Innovation and Global Value Chain Management

With regard to the global business of the firm, Uniqlo has developed a huge due position in the global fashion business due to its substantial presence in key economical centers such as North America, Europe, and Asia, and more importantly in Japan and China. A combination of their value chain that cuts across key areas including research and development (R&D), material sourcing, production processes, marketing strategies, and even financing processes have led to the success of Uniqlo in different regions. The international success of the company is based on its focus in the innovation in its product development. Uniqlo has played an important innovator in

the fast-fashion sector, spending much on research and development of new technologies in the clothing sector, such as its HeatTech line of cold-weather clothing, which have reached a major breakthrough. As an illustration, the company focuses extensively on research, and the product, HeatTech, is a product that not only appeals to the needs of the consumer but also sets the brand apart of the list of rivals (Mirza et al., 2020).

2.4 Sustainability and Ethical International Operations

Another element that contributes to the international operations of Uniqlo is its sustainability and environmentally friendly practices. The sustainable actions implemented by the firm are integrated in the supply chain (sourcing material till production processes). Indonesia is an example where Uniqlo collaborates with first- and second-level suppliers and engages them in environmentally friendly activities, which proves that the company strives to be the player by global sustainability initiatives and minimize its environmental impact (Rasyid & Huis, 2022). Since sustainability is a growing concern among consumers and businesses worldwide, the capability of Uniqlo to integrate sustainable activities in all its operations has not only added value to its brand image but has also placed it in a better position against the market competition. The production processes of Uniqlo have a reputation of being efficient and cost-effective and this has enabled the company to cater to the demands of its global market that are high. Through its worldwide supply chain network, which involves foreign suppliers and manufacturers, Uniqlo will be able to manufacture garments in bulk at fair prices and enjoy economies of scale. It has low unit costs with high-quality levels due to the efficient operations of the company and supply chain management, which is a major factor in a fast-fashion sector where the control of costs and the ability to move products to market are crucial distinguishing factors (Savchenko et al., 2023). The mix nature of the strategy that Uniqlo uses to enter the market i.e. the blending of physical stores with an influential online platform also increases its market coverage. The mix of the offline and online stores also opens up the company a substantial chance to access a vast number of customers by giving them the chance to shop in-store and experience the comforts of shopping online. This two-sided strategy will also enhance customer experience and allow Uniqlo to adopt both physical and digital shopping experience, which are particularly applicable in such markets as China where online shopping is a dominant trend (Li et al., 2020).

2.5 International Entry Modes, Financing, and Market Expansion

There is also a variety of modes of financing of Uniqlo in the global operation. The company is also deploying foreign direct investments (FDI) and strategic alliance to establish strong market presence in the new markets. Uniqlo has also implemented taxation procedures that enable the company to decrease the amount of money that pays global expansion and offer an efficient flow of funds across the borders (Jin and Fu, 2024). These financial plans play a critical role in helping the company to fit its global operation and optimization of resources allocation particularly in the emerging markets where the economic prospects of one region to the other are likely to be different. Uniqlo similarly has been using various entry modes in expanding its market in the world market that includes joint ventures, franchising and direct investment. These entry modes have helped Uniqlo to adapt to the conditions of each market as it manages its brand name and operations. Uniqlo has set up strategic joint ventures and franchises with the local companies in China as examples. Such strategy will enable Uniqlo to handle the complexities of the local market by taking into account the experience and knowledge of the local partners and overcome the barriers of different cultures, regulatory barriers, and market interests (Yang, 2020).

The joint ventures and franchise are strategies whereby Uniqlo can capitalize on the local market knowledge and benefit of the operations and logistical support of the partners. This is particularly so in markets that have complex market environments which demand use of the local knowledge to negotiate government policies, distribution channel and consumer trends. In addition to joint ventures and franchising, Uniqlo has used the dominating entry mode of direct investment in developed economies like United States and Europe. Uniqlo has set up wholly-owned subsidiaries in these regions to take a closer control of its business, and ensure that the brand is the same. Direct investment will provide Uniqlo with higher capacity to regulate its outlets, advertising strategies as well as products in these competitive markets (Oktavianissa, 2024). This mode of entry is particularly suitable in the markets where the retail infrastructure and consumer base is better established than the local joint ventures may not be a major need.

The main advantages of the international business of Uniqlo are many. Its global supply chain and production processes give it one of the best benefits in that it can reach economies of scale. Mass manufacturing and sourcing raw materials will allow Uniqlo to lower unit costs and maximize profitability, and this is one of the greatest strengths in the highly competitive fast-

fashion market (Liu, 2025). Another advantage is the possibility of the company to access new customer segments and reach the broader market base. Working with a variety of markets, Uniqlo has an opportunity to reach more consumers and respond to the needs of individual markets. Its growth into emerging markets, including Indonesia, has helped the company to build a diversified customer base and to gain its market share in those areas where the growth perspective is high (Savchenko et al., 2023). Besides, another significant advantage of Uniqlo is that it can invest resources more efficiently than ever in its international activities. Because it is based on local labor, local materials, and local manufacturing technologies, this allows Uniqlo to make its supply chain and manufacturing processes cost-effective and efficient. The given resource allocation approach is especially useful when it comes to emerging markets, where the labor expenses are lower, and local production potential can be utilized to achieve increased cost-efficiency (Rasyid & Huis, 2022). The positive brand image of Uniqlo is also explained by its sustainability, which is able to address the increasing need of consumers to purchase products that are environmentally friendly. Incorporating sustainable practices in the operation, Uniqlo will improve its brand image and appeal to buyers who are becoming more concerned with sustainability in their buying behavior (Namira & Indriani, 2023).

3 OLI Framework (Ownership, Location, Internalization) and Its Impact on International Market Entry

The OLI (Ownership, Location, Internalization) model created by John Dunning provides a holistic model in which to comprehend the motivations of internationalization by firms. It assumes that three factors, which are ownership advantages, location advantages, and internalization advantages, determine the decision of a firm to enter a foreign market. All these factors are very important in the way multinational corporations (MNCs) enter the international market, and especially in the emerging economies.

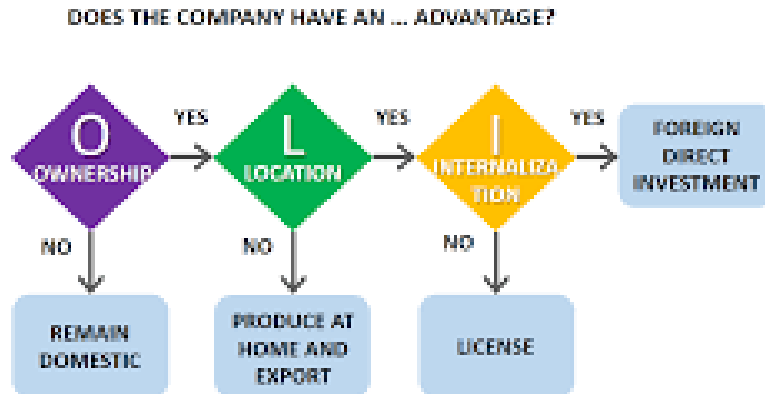


Figure 2: *OLI Framework (Ownership, Location, Internalization)* (Bruin, 2016)

3.1 Ownership Advantages

The ownership advantages are those proprietary resources, capabilities, or competitive advantages that a company has and can apply in the foreign markets. They might comprise technological experience, brand value, management capabilities, or patenting, which helps a company to feel comfortable in overseas markets (Liu, 2025). In the case of Uniqlo, its strengths in terms of ownership would be its excellent brand name, efficient supply chain management, and innovative products like its HeatTech technology. These aspects give Uniqlo an incomparable advantage in foreign markets, especially in the emerging economies where the consumer demand of quality and affordable clothes is increasing (Sarker et al., 2020). When the local brands in emerging economies such as Indonesia and Vietnam do not have the technological capabilities or global accessibility, the ownership benefits that Uniqlo has allow it to develop a high competitive advantage. To illustrate, the capability of Uniqlo to make its products uniform and adapt them to the local market by ensuring its so-called Glocalization strategy is directly linked to the ownership of technological innovations and efficient supply chains (Yang, 2020).

3.2 Location Advantages

Location advantages refer to the geographical and economical issues that enable a certain country or region to be more appealing to the operations of a business. These may be access to cheap labor, good market environment, regulatory standards and available resources (Li et al., 2021). Location advantages have been a key factor that has influenced Uniqlo to venture into

emerging economies such as Indonesia, India and China. In such markets, Uniqlo enjoys the advantage of low labor costs and the possibility of obtaining materials at the local market, which reduces the cost of production in general. The strategic location decisions made by Uniqlo also indicate its knowledge of the rising number of middle-class people across the emerging economies, who need affordable but fashionable clothes (Savchenko et al., 2023). Besides, Uniqlo operates strategically in markets where consumers are highly interested in global brands, especially in Southeast Asia, where the value proposition of the brand, which is high-quality and affordable fashion, is well-equipped to meet the preferences of local consumers (Rao et al., 2022). Also, the emerging economies will tend to give government incentives to encourage foreign investment. The choice made by Uniqlo to increase its retail operations in such countries as Indonesia and Vietnam was backed by the policies of local governments to encourage foreign direct investment (FDI) and development of infrastructure, which guarantees easier access to the market and business activities (Pacheco and Akhter, 2021).

3.3 Internalization Advantages

The internalization benefits are associated with the fact that the firm is able to manage its operations effectively and ensure that it has control over its important assets and processes as opposed to external market mechanisms (Zehri, 2022). In the case of Uniqlo, the benefits of internalization are manifested in the fact that the company has the control over its supply chain, starting with the design, production, and distribution. Such a level of control of the whole chain value allows Uniqlo to ensure high product quality and guarantees that the values of the brand are respected in all the markets. Uniqlo internalization benefits are also seen in the mode of entry that it uses in the emerging economies, which is direct investment and fully owned subsidiaries. This will give Uniqlo the ability to control its brand image and customer experience completely. As an example, in the countries such as China, where intellectual property protection might be less effective, the choice of establishing wholly owned subsidiaries will help Uniqlo to protect the proprietary technologies and keep its competitive advantage (Yang, 2020). This is specifically significant because Uniqlo has to compete with its local retailers that can tend to copy its successful business model. The internalization also contributes to the fact that Uniqlo is able to standardize its operations and localize to the local tastes due to its hybrid brand positioning and local product customization strategy (Liu, 2025). This strategy elevates operational effectiveness, as well as, consolidates the position that Uniqlo holds in the emerging economies.

Table 1: OLI Framework (Ownership, Location, Internalization)

OLI Factor	Description	Uniqlo's Application
Ownership Advantages	Proprietary resources like technology, brand, and supply chain that give Uniqlo a competitive edge.	Uniqlo's strong global brand, HeatTech innovation, and efficient supply chain enhance its market position in emerging economies.
Location Advantages	Geographical factors like low labor costs, local resources, and favorable market conditions.	Uniqlo leverages low-cost labor and local materials in markets like Indonesia and India, benefiting from favorable government policies.
Internalization Advantages	Ability to manage operations and maintain control over key processes to ensure brand consistency.	Uniqlo controls its supply chain through wholly-owned subsidiaries, protecting IP and standardizing operations across regions.

3.4 OLI Framework on the Uniqlo International market entry

The strategic approach used by Uniqlo to enter the markets in the emerging economies can be seen as an application of the OLI framework. The ownership benefits of the company, including the advanced technology of the product and the globally known brand are important factors that make the company stand apart among the local competitors. Employing these benefits gives Uniqlo the opportunity to offer its products at a high price, and customer loyalty is guaranteed by the uniformity of products. Uniqlo has a competitive edge because of the inherent location advantages of the emerging economies such as low cost of labor and the rising consumer purchasing power. Expanding to such markets, Uniqlo can increase its market share taking the

advantage of the favorable economic conditions. As an illustration, in Vietnam, the presence of the company in major cities takes advantage of the increasing demand of the urban middle classes towards international brands (Prakasa & Wandebori, 2024). The benefits of internalization also add to the market entry strategy of Uniqlo as it allows it to take control of its business and intellectual property. The control means that Uniqlo will be able to protect its innovations and create a brand experience that will be similar in all its global operations. The OLI framework provides a convenient perspective with which to analyse the market entry strategy used by Uniqlo in emerging economies. Ownership, location, and internalization benefits are in collaboration to ensure the successful internationalization process of Uniqlo. Through its own proprietary technologies, strategic choice of location and control over its operations, Uniqlo has managed to enter into the emerging markets successfully and grow tremendously. The knowledge and implementation of the OLI framework will remain important to Uniqlo and other multinational corporations in their quest to succeed in the ever-evolving international markets.

4 Cultural Differences and Their Impact on Market Entry Strategy

4.1 Consumer Behavior Cultural Differences

Knowledge of local consumer behavior is one of the most important factors that will affect the market entry strategy of Uniqlo. The home country of Uniqlo is Japan, where consumer discipline, attention to detail and quality are high. On the contrary, in such countries as India and Brazil, consumers show a variety of behavioral patterns, which depend on local traditions, economical conditions, and social values. Culture and religion are critical in the choice of consumer preferences in India. As an example, India is a very colorful and diverse textile industry, where different regions may have different tastes and preferences regarding fabrics and styles (Dhaktode, 2022). The approach by Uniqlo in India must be sensitive to such local preferences especially in providing local products that would go well with the traditional tastes without compromising the global brand image. On the same note, consumer behavior in Brazil is shaped by the focus on individuality and bright fashion trends which is a vivid contrast to the fashion choices of the Japanese who tend to use minimalism in their fashion preferences (Nunes et al., 2020). Uniqlo will have to change its offerings and its marketing campaigns to overcome these differences. Uniqlo has localized its products in China, where fast fashion is much appreciated, and provides a design that will attract the Chinese taste and still keep its reputation as a functional

clothing company. In such a way, this method demonstrates how Uniqlo is finding the balance between addressing the local consumer behavior and maintaining its brand image (Yuan, 2023).



Figure 3 Cultural Comparison of India and Japan Across Hofstede's Six Dimensions

4.2 Business Practices and Negotiations Styles

The mode of doing business and the mode of negotiation in Japan and emerging economies is very different as well. Japanese business culture has been characterized by formality, hierarchy, and indirect communication (Zhu, 2022). By comparison, developing economies like India and Brazil might be less strict in their business practices, and thus, they tend to focus on developing personal relationships during negotiations (Prakash and Singhai, 2024). In India, business is frequently established by relationships and building trust, which means that the entry strategy of Uniqlo would be improved by entering into joint ventures with local companies that are aware of the specifics of the market and have established networks (Kar et al., 2021). This approach assists in overcoming the obstacles but also makes the process of entering the Indian business environment easier. Conversely, in China, trust is valued, but the government has a more prominent role in business decision-making, and the companies have to operate in a more centralized and regulated market (Akemo, 2023). The key to overcoming these cultural differences in Uniqlo is the strategic partnership with local companies in these markets, the role of government regulation, and adapting to the practice of negotiation. Uniqlo can also improve its market entry strategy by integrating with the local practices and customs.

4.3 Marketing and Communication styles

Japanese communication patterns are more formal and indirect and are based on harmony and consensus. Brazil and India, on the contrary, have more direct communication style. Advertising in Brazil has a tendency to appeal to emotions and is dynamic in response to the drive and dynamism of the Brazilian culture (Prakash and Singhai, 2024). In India, the marketing approach must not be limited to Indian culture; it should focus on regional preferences and diversity of languages, but also touch on social values, which are central to the Indian culture like family and community (Xiao, 2024). The marketing approach of Uniqlo should be able to capture such cultural subtleties. As an illustration, in India, Uniqlo ought to put more emphasis on the localized advertising, using the language of the regions and responding to the social concerns, such as family and community interactions. Meanwhile, in Brazil, the brand may focus on vivid colors and vitality in the advertisement, which is also similar to the Brazilian taste of active, expressive fashion (Schmitt, 2024). In addition, the communication activities of Uniqlo should reflect the local media preferences. Digital media platforms such as WeChat and Tik Tok are dominant in China and social media platforms such as Instagram and Facebook are more common in Brazil (Xiao, 2024). It is important to digitalize the strategies to suit these platforms and attract local consumers.

4.4 Workforce Management and Organization Culture

The workforce culture in Japan is marked by the loyalty, working long hours, and the feeling of unity of the group (Li et al., 2022). Entry into the emerging markets by Uniqlo should accommodate the differences in the workforce management practices. In India, conversely, labor laws are not as strict as in Japan, and much attention is given to labor rights and the welfare of employees (Prakash and Singhai, 2024). Uniqlo might be required to change its human resources policies to allow more flexible and inclusive working conditions that correspond to the local labor expectations. The corporate culture of Uniqlo in Brazil should be attuned to the needs of employee satisfaction and work-life balance that are prioritized in Brazil. Brazilian employees prefer a comfortable working environment with a supportive atmosphere, and, therefore, Uniqlo must take into account the possibility of introducing a range of employee-friendly approaches, including non-scheduling and health insurance, to achieve a positive organizational culture (Zehri, 2022).

Table 2: Cultural Differences and Their Impact on Market Entry Strategy

Country	Cultural Factors	Uniqlo's Strategy
India	Diverse fashion preferences, relationship-driven business, complex regulations	Localize products and marketing. Form joint ventures. Adjust HR policies for flexibility.
Brazil	Expressive fashion, flexible business practices, work-life balance focus	Adapt designs and marketing. Form alliances. Offer employee-friendly policies.
China	Fast-fashion demand, government-regulated market, formal workforce structure	Localize designs. Comply with regulations. Use digital marketing and partner locally.

4.5 Accustoming to the Local Legal and Regulatory Systems

Lastly, Uniqlo will need to take into account the diverse legal and regulatory environments of the emerging markets. Some of the challenges that foreign companies in India encounter include complicated tax policies, labor laws, and land acquisition policies. Uniqlo can present itself to such regulatory challenges by partnering with local companies and making joint ventures (Kritika and Mahendra, 2024). On the same note, in Brazil, import tariffs and taxes can be a big challenge to the foreign companies. It is important to learn and adjust to these regulatory frameworks to ensure that Uniqlo thrives in such markets (Okereke Isi, 2025). The cultural difference between Japan and the emerging economies like India, Brazil and China plays a major role in the market entry strategy of Uniqlo. Expansion into such markets has to carefully take into account consumer behavior, business practices, communication styles, management of the work force, and legal systems. Culturally sensitive approaches, ability to take advantage of local collaboration and ability to match the local tastes and preferences can enable Uniqlo to overcome cultural differences and establish a solid presence in the new markets.

5 Recommendations for Adjustments in Standard Operating Procedures (SOPs)

Uniqlo being a global retailer has special challenges when entering the emerging markets. Considering the OLI framework (Ownership, Location, Internalization) and the cultural

differences between Japan and the emerging economies as its target countries such as India, China and Brazil, it is necessary to make some changes in its Standard Operating Procedures (SOPs). These changes will assist Uniqlo in its maneuvering of the local market environment, consumer behaviour, and labour management challenges to guarantee a successful and sustainable presence in the market.

5.1 Adaptation to Product Offerings and Customer Behavior

The penetration of the various emerging markets by Uniqlo should be shaped to the local tastes and cultural demands of the consumers. Japan, the country the company is based in, has a heavy accent on minimalistic and functional design, though in such markets as India and Brazil, fashion is more diverse and energetic. Uniqlo needs to perfect its product development and merchandising SOPs to suit the local tastes and retain its brand name. This may include provision of culturally-oriented product lines. As an example, in India where modesty in clothing is commonly a factor to consider, the brand may add in form of more traditional or modest styles to its product range (Rumagit, 2022). Equally in Brazil, Uniqlo can present more vivid colors and designs that would speak to the local fashion trends (Nunes et al., 2020). In order to make sure that the local preferences are achieved by Uniqlo, the SOPs of product development must include the regional research and consumer feedback loops. This may involve collaborating with local designers or influencers so that the product can be relevant. These efforts should be directed by the Glocalization strategy, which involves a balance between the global standardization strategy and the adaptation of the local requirements (Yang, 2020). The dynamic cultural environment should be incorporated into SOPs of sourcing, designing, and marketing products to deal with the changes.

5.2 Marketing and Communication Strategy Customization

The difference in culture also influences the communication that Uniqlo is doing with its consumers. Although in Japan marketing is commonly focused on functionality and simplicity, marketing in the emerging markets such as China and Brazil react to emotionally charged and community-centered advertising more (Xiao, 2024). The communication strategy of the brand should be approximated to the local media consumption patterns, cultural conventions, and social values.

Uniqlo needs to update its marketing SOPs in accordance with the local preferences of local communication. In China, the company needs to enhance its online activity by using such platforms as WeChat and Tmall as these platforms control Chinese e-commerce (Lamichhane, 2025). In Brazil, with social media such as Instagram being more widespread, the marketing by Uniqlo should consider targeting content-heavy content that can attract Brazilian consumers to their colorful consumer culture (Schmitt, 2024). SOPs must involve local collaborations with celebrities, influencers, and other people within the communities to promote brand engagement and recognition in the areas. Also, the brand needs to personalize the message to highlight such aspects of the messaging as community, family, or self-expression, which are important in India and Brazil (Xiao, 2024). The SOPs must also be modified to be more localized in digital marketing strategies, such as influencer collaboration, to best connect with younger tech-savvy consumers who make up a large section of the consumer market in the emerging markets (Lamichhane, 2025). The adaptations will assist Uniqlo to communicate effectively with various consumer groups in these markets, boost brand loyalty, and improve customer satisfaction in these markets.

5.3 Adaptation of Workforce Management and Organizational Culture

Cultural diversities play a big role in the dynamics of workforce. The culture of the workforce in Uniqlo is highly Japanese, with vast loyalty, teamwork, and hierarchy (Li et al., 2022). Yet, it is possible that countries such as India and Brazil will have different expectations when it comes to work-life balance, flexibility and employee empowerment. Uniqlo needs to update its SOPs in the human resources to include cultural expectations of the local workforces. Family and community are very prioritized in India, which might mean it will need more flexible work and be more concerned with work-life balance (Prakash & Singhai, 2024). This is possible through incorporation of more family friendly policies like flexi time and friendly leave policies into the Uniqlo SOPs. Well-being of the employees and cohesion of a team is vital in Brazil. The management style of Uniqlo needs to be more inclusive and less hierarchical than the traditional Japanese one (Zhu, 2022). There must be the introduction of training programs to help the local managers to acquire the skills that will help them lead within a less formalized more collaborative environment. Decisions should also be delegated to the local managers especially in areas where independence and flexibility are considered very high. Moreover, the programs of developing Cultural Intelligence (CQ) of expatriates and local employees should be included in the SOPs of Uniqlo. The CQ training would assist the employees learn to appreciate cultural differences, which

would result in more efficient cross-cultural interactions and easier organizational integration (Wawrosz & Jurásek, 2022). Such emphasis on changing HR will make sure that Uniqlo will be able to create a robust and motivated workforce in all its target markets, enhancing employee satisfaction and retention rates and minimizing possible conflicts.

5.4 Taking Advantage of Local Supply Chains and Logistics

The OLI (Ownership, Location, Internalization) model of Uniqlo emphasizes the need to optimally exploit the resources in the area, i.e., the sources of materials, local production, and distribution channels (Zhu, 2025). The supply chain logistics in the emerging markets might be complicated with the difference in the infrastructure quality, governmental regulations, and availability of suppliers locally. Uniqlo will need to make adjustments to its supply chain SOPs which will see operations tailored to the local situation of every market. To illustrate, in India, where the logistics network might be a problem, Uniqlo might invest in local distribution centers of the country to guarantee a quicker delivery pace and more efficient inventory control (Khan and Shabbir, 2024). In China, the local production capacity is highly developed, which means that Uniqlo can become more integrated with local suppliers in terms of its supply chain to lower the cost of production and be more responsive to changes in the market (Rumagit, 2022). The SOPs must be modified so that local suppliers fulfill the high quality standards of Uniqlo taking advantage of the competitive manufacturing benefits of China. The SOPs of the supply chain at Uniqlo ought to also focus on sustainability, particularly in the emerging markets where there is an increasing concern over the environment.

As an example, in Brazil where sustainability is an increasing concept, Uniqlo can focus on how to create sustainable materials and use environmentally-friendly manufacturing processes to fulfill the values in the country (Ong et al., 2024). Uniqlo will be competitive and responsive to these heterogeneous markets through these changes in supply chains as it will break the local problems on sustainability and efficiency. This is because when Uniqlo enters new emerging markets like India, China and Brazil, it is confronted with enormous opportunities and challenges. To enhance its competitiveness, consumer contact, and build strong and stable operations in these dynamic markets, Uniqlo needs to make three significant changes in its Standard Operating Procedures (SOPs): product offering, marketing principles, and human resource management. Such changes in accordance with the OLI paradigm and cultural intelligence will help Uniqlo to

address the challenges of the international expansion and retains its brand and business performance.

6 Conclusion

This report has looked into the international business strategy of Uniqlo as it relates to its expansion into emerging economies in India, China, and Brazil. The key findings of the analysis are that Uniqlo managed to leverage its Ownership, Location and Internalization (OLI) advantages. The intensive supply chain, brand value and innovative products have helped the company to penetrate different markets. Nevertheless, Japan and these emerging economies have some cultural differences and this has posed a great challenge especially in consumer behavior, marketing strategies, workforce management and the local market conditions. Due to cultural diversity, including product design preferences, way of communication and work-life balance, Uniqlo will have to adapt the marketing strategy in every country. As an example, in India, where modesty and communal values are held in high esteem, Uniqlo has to adjust its product and marketing approaches in order to appeal to the local values. On the same note, consumers should be approached more digitally in China by using such platforms as WeChat and Tmall. The Brazilian fashion culture is very vivid and creative, which demands more daring designs and individualized approaches to customers. The report suggests three major changes to be made to the Standard Operating Procedures (SOPs) of Uniqlo (1) product offerings need to be refined to reflect the local preferences, (2) marketing strategies should be adjusted to the local communication preferences and online platforms, and (3) the workforce management practices should be adjusted to meet the local labor expectations. These changes will help Uniqlo to maximize market penetration, customer satisfaction, and create a sustainable and culturally-conscious unit in new markets. These suggestions guarantee that Uniqlo will retain its competitive advantage and develop the long-term growth in these active areas.

7 Reference list

Akemo, A. (2023). Impact of competitive strategies on market entry and growth in emerging economies in Japan. *International Journal of Strategic Management*.

Bruin, L. de (2016). *Eclectic Paradigm/OLI Paradigm EXPLAINED with EXAMPLES | B2U*. [online] B2U - Business-to-you.com. Available at: <https://www.business-to-you.com/choosing-the-right-entry-mode-strategy/>.

Dhaktode, N. (2022). Theory of culture and market by Wherry: Caste and cultural impact in Indian market. *Contemporary Voice of Dalit*.

Jin, Q., and Fu, Y. (2024). Tax strategy and international financial management of multinational companies. *Applied Mathematics and Nonlinear Sciences*.

Kar, S., Bansal, R., and Mishra, S. (2021). Tesco: Entry and expansion strategy in India. *Emerging Economies Cases Journal*.

Lamichhane, N. (2025). Digital marketing strategies of Uniqlo in China: Insights from consumer perception and behaviour. *International Journal of Scientific Research and Management*.

Li, W., Shia, A.-S., and Badiane, K. (2020). On marketing strategies of Uniqlo: An analysis of online and offline integration. *Case Studies in Business and Management*.

Li, Y., Gao, R., and Wang, J. (2021). Determinants of EMNEs' entry mode decision with environmental volatility issues. *Journal of Risk and Financial Management*.

Liu, Y. (2025). The dual impact of multinational corporations: Drivers of growth and challenges to sovereignty in a globalized economy. *Advances in Economics, Management, and Political Sciences*.

- Liu, Y. (2025). The dual impact of multinational corporations: Drivers of growth and challenges to sovereignty in a globalized economy. *Advances in Economics, Management, and Political Sciences*.
- Mirza, M., Verma, A., Kee, D., and Awatif, A. (2020). The key success factors: A case study of Uniqlo. *JCDA*.
- Namira, A., and Indriani, M. (2023). Analysis of Uniqlo's contribution through CSR programs in handling the issues of women's refugees 2021 in Indonesia. *E3S Web of Conferences*.
- Nunes, A. S., Silva, T. E. B., Frias, T. J. M. B., and Santos, D. R. (2020). Commercial relations between Brazil and India: An analysis of trade chain and the challenges for the coming years. *The Journal of Men's Studies*.
- Ong, H. T., Patrick, R., Hariramani, M., Cordova, W., and Nagtalon, R. (2024). Customer engagement and the corporate sustainability reputation of Uniqlo impact consumer's purchase intention. *Journal of Electrical Systems*.
- Oktavianissa, N. (2024). Analysis of successfully brand positioning & extending on customer engagement: A Study case of Uniqlo retail store. *Eduvest - Journal of Universal Studies*.
- Pacheco, B. G., and Akhter, S. (2021). Overcoming economic liminality: Internationalization of B2B SME's from a small emerging economy. *Critical Perspectives on International Business*.
- Prakash, K., and Singhai, M. (2024). Analysis of market entry strategies for foreign multinational corporations in India. *International Journal For Multidisciplinary Research*.
- Prakasa, E. G. H., and Wandebori, H. (2024). Analysis of digital transformation on consumer behavior for shopping in offline and online stores (Case Study: UNIQLO Indonesia). *International Journal of Current Science Research and Review*.

- Rasyid, H., and Huis, M. (2022). Global corporate responsibility, transparency, and the environment: Tracing Indonesian second-tier suppliers of Japanese fashion brands. *Proceedings of the International Conference on Industrial Engineering and Operations Management*.
- Rumagit, M. N. (2022). Factors influencing consumer buying behavior in Uniqlo retail store. *International Journal of Accounting Finance in Asia Pasific*.
- Savchenko, M., Hryb, A., and Soboleva, A. (2023). Multinational corporations in the economies of developing countries: Global trends and domestic realities. *Galic'kij ekonomičnij visnik*.
- Schmitt, F. (2024). How cultural differences affect the adoption and effectiveness of green marketing strategies in Germany. *International Journal of Strategic Marketing Practice*.
- Xiao, A. (2024). Analysis of the communication strategy of fast fashion brand Uniqlo in cross-cultural contexts. *Journal of Education and Educational Research*.
- Yang, L. (2020). Transferring retail format of hybridization: A case study of Uniqlo in Mainland China. *Journal of Economics, Business, and Management*.
- Yang, L. (2020). Transferring retail format of hybridization: A case study of Uniqlo in Mainland China. *Journal of Economics, Business and Management*.
- Zehri, C. (2022). Foreign assets management and capital expenditure: Firm-level evidence from 45 emerging market economies. *Malaysian Journal of Economic Studies*.
- Zehri, C. (2022). The impact of culture and business systems on multinational organisations: A review of doing business in Brazil. *International Journal of Social Science Exceptional Research*.
- Zhu, T. (2022). International business strategy of fast fashion brands (On the example of Zara). *Journal of Education, Humanities and Social Sciences*.