



Module code:LCBB6001

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Morrisons PLC

International Business Communication

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Introduction to the context

- Morrisons PLC is an organisation which operates in the supermarket industry and is present in England, Scotland, Wales and Gibraltar.
- The organisation has registered major growth and is one of the top players in the United Kingdom's supermarket industry. The organisation has a high number of stores geographically spread, but it also has a important online presence along with collaborations such as Amazon, Ocado and Deliveroo (Morrisons Investors, 2023).
- The organisations intends to expand the business to Germany.



Supermarket industry: UK vs Germany

- Supermarkets such as Morrisons, are estimated to claim around 50% of total sales within the UK's grocery industry for last year.
- According to Mintel (2022) the supermarket industry in the UK is expected to remain positive and continue to register growth for the next few years.
- Similar to the UK, the supermarket industry in Germany is highly competitive. According to Ibis World (2023) “the industry revenue grew by a compound annual growth rate of 1.3% from 2018 to 2023. In 2023, industry revenue is expected to rise by 2.1%, to €241.6 billion due to higher consumer prices for food”.



German culture

- Germany is a relatively big country with a population of 80 million people. Germany has a long and rich history which has placed it among the European leaders.
- Germany has an array of religions as well as differentiated traditions and customs that combines different values related to art, philosophy, religion being a Christian country predominantly.
- The German culture has its basis in reasoning and logic but at the same time the modern society is tolerant, embracing diversity and Christians, Catholics, and Muslims coexist happily (Alphatrad, 2022).



German culture



- The culture of Germany is defined by respect for each other, respect for the society structure and legislative systems. There is a sense of “order” among the population and punctuality has high priority (Expatrio, 2022).
- The family has great importance for the population as well as the role of the community. Their communities are defined by an orderly nature and rule-following in order to create an harmonious place to live for all residents. The respects for the surroundings and nature is also important and recycling and noise disturbance and doing the things correctly (BBC, 2020).

German culture

- Germany has strong traditions known internationally such as celebrations and practices which are also part of the identity of the country such as Oktoberfest, German sausages, German beer, folk music, hiking and so on.
- Notably, Germany has managed to surpass its challenges along its history and has built a strong and stable economy and a political position in the world contributing to the global development and peace (Expatrio, 2022).



Cultural sensitivity in Germany

The differences from the UK



- The Germans are more direct than the British who are known for their politeness. Germans prefer a direct style, they are diligent and very punctual, whilst British are less direct and little restraint, always being careful with the choice of words.
- Some English terms have different meaning when translated and that could be an obstacle for a company who wants to enter the German market such as Morrisons (Alphatrad, 2022) .

Cultural sensitivity in Germany

The differences from the UK



- The British are more inclined to have a personalized approach for greetings and communication in general. For example birthday cards have a message written by each person who signs it. This applies to business communication also and workplaces.
- German is known to be a productive economy and at the workplace are aiming for efficiency. German put work first and pleasure second, but at the same time they understand the importance of rest and holiday for recharging and for future performance.
- British are known for going to work whilst sick which reduces performance and can impact the co-workers (Goodwille, 2020).

Hofstede cultural Dimensions: UK and Germany

- Power Distance

Germany and UK have similar levels for power distance, registering low levels supporting egalitarian social relationships.

- Individualism

UK has higher levels of individualism than Germany.

- Masculine versus feminine

Germany and UK have same levels with a high level on the masculine spectrum (Research Gate, 2012).

Hofstede cultural Dimensions: UK and Germany

- Uncertainty avoidance: Germany society prefers rules and is risk averse having a slightly higher score than the British society
- Long-term orientation

The British and the Germans have a pragmatic orientation and prioritize building long-term relationships.

- Indulgence vs restraint

UK registers higher levels for indulgence, whilst Germany is known to be more restraint (Monsoon, 2023).

Recommendations

- It is recommended for Morrisons that it takes into account the directness for communication of the Germans
- It should take into account the societal values
- It should ensure the business is perceived as an added value to the society which respects the “order” and existing structures
- It is recommended to have a focus on long-term relationship



Recommendations

- It is also very important to ensure there is a balanced power and control in order to have efficient management and comply with the German legislation
- It is important that Morrisons identifies the risks proactively and has rigorous negotiation whilst maintaining degrees of flexibility
- Lastly, it should have a plan for exit in case the strategy it does not work



Conclusion

- In the role of the management consultant for Morrisons based on the provided analysis Germany is good market to establish a management office in order to expand worldwide.
- The supermarket industry is growing, the cultural differences can be potentially overcome.



Q&A

References

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