

Ocado, Hofstede culture dimensions

Ana-Maria Gorgan 2113739

International Business
Communications (LCBB6001)

University of Wales Trinity Saint David

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Agenda

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- ▶ Topic one: Understanding of Management Consultant Role
- ▶ Topic two: Company history and vision for future towards expansion and reasons.
- ▶ Topic three: Cultural Similarities, Differences, Hofstede Cultural Dimensions and Theory, High or Low Context in United Kingdom and Germany



WHAT IS?

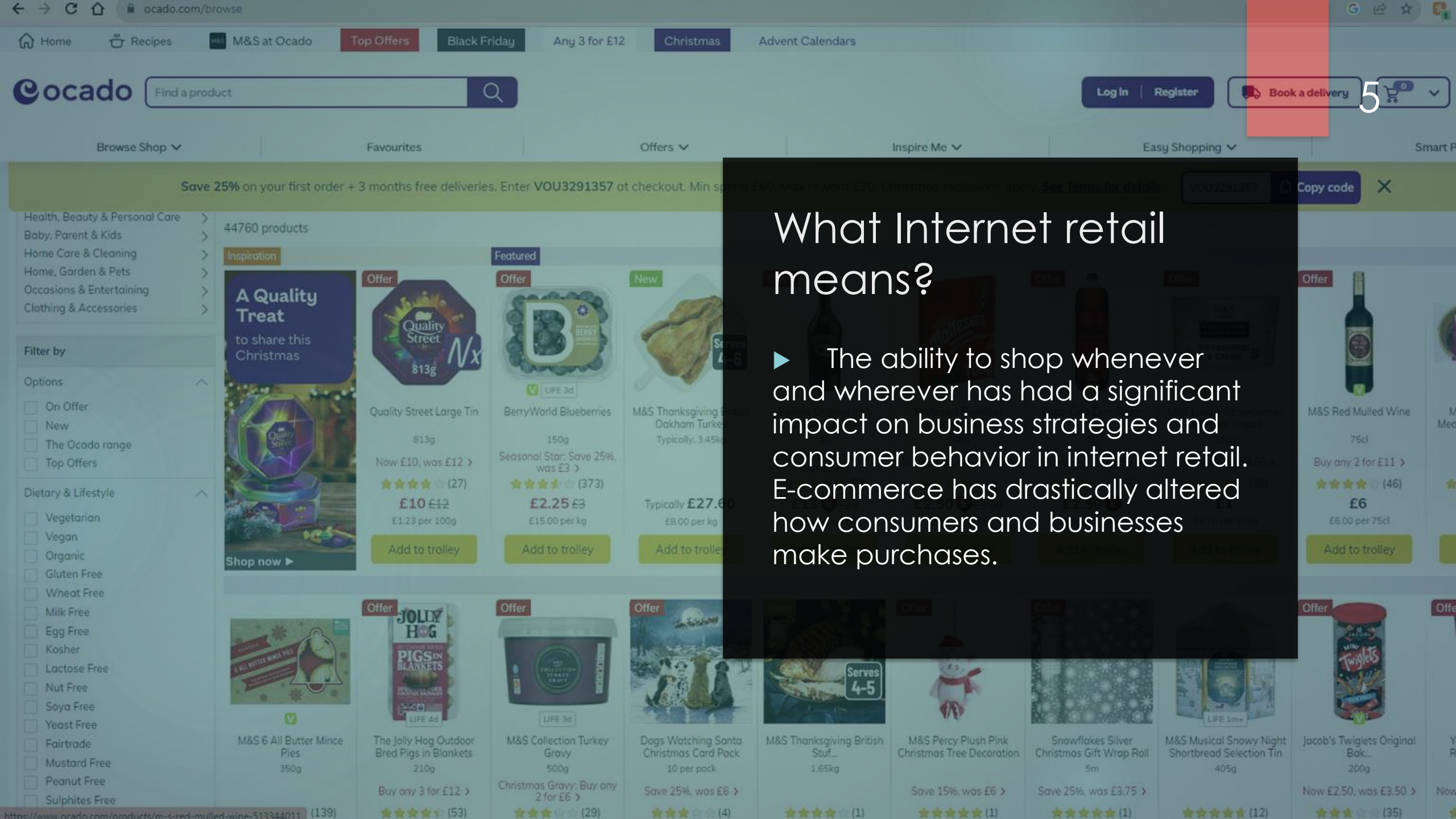
Management Consultant Role





Management consultant provide external advice to enhance efficiency, problem-solving, and enable growth.

Management consultants can offer recommendations to organizations or assist in putting them into practice.



What Internet retail means?

- The ability to shop whenever and wherever has had a significant impact on business strategies and consumer behavior in internet retail. E-commerce has drastically altered how consumers and businesses make purchases.

Back in time

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Ocado, a unique e-grocer, focuses on Premium goods delivered to your doorstep.

The company's innovative methods in overcoming online grocery shopping challenges has made it a leader in customer service.

Ocado, founded in January 2000 in London, is the UK's first successful new grocery brand in years and has created a sustainable shopping model.

Ocado was established to innovate grocery shopping, offering a convenient, speedy, enjoyable, eco-friendly, and precise alternative to traditional supermarket visits.



Understanding what an expansion of a multi company means.

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A multi-national company expands by growing and establishing subsidiaries, branches, or joint ventures in different countries. Organizations go global for new markets, resources, talent, cost reduction, and risk diversification. Expansion includes researching new markets, strategically planning, and implementing in different areas.

Plans and Goals for Ocado Group

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As a thriving international company, our goal is to join the German market because of its strong financial and economic growth.

Having a thorough understanding of the German market and being able to skillfully adapt to it will be essential to achieving our goal.

Essential keys to consider when expanding

Market Entry

Market size, political stability, and cultural differences.

Localization Plan:

- Customizing products, adjusting connections with local suppliers and distributors. Pricing strategies.

International Management

- Setting up regional offices, recruiting local managers, and cultivating a global perspective

Cultural Differences and Similarities

- Get to know potential cultural human resources and customers in German environment.

Why Ocado should expand in Germany?



ACCESS TO ROBUST
INFRASTRUCTURE,
CUTTING-EDGE
DIGITAL
CONNECTIVITY, AND
A SIZABLE
CONSUMER MARKET.



DE-COMMERCE
MARKET FOR
BUSINESSES
LOOKING TO GROW
THEIR CLIENTELE DUE
TO ITS SIZABLE
POPULATION OF 83
MILLION AND HIGH
STANDARD OF
LIVING.



GOOD
INFRASTRUCTURE
AND DIGITAL
CONNECTIVITY,, THE
NATION'S LOGISTICS
AND
TRANSPORTATION
NETWORKS ARE
EXTREMELY
SOPHISTICATED.



CONSUMER
PROTECTION LAWS
AND DATA PRIVACY
REGULATIONS
PROMOTE SECURE
ONLINE
TRANSACTIONS,
FOSTERING TRUST
AND CREDIBILITY
ENHANCING
CUSTOMER LOYALTY
AND BRAND
REPUTATION.



Different cultural characteristics between the UK and Germany impact e-commerce

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United Kingdom

- ▶ **Communication Styles** Direct communication is valued in the UK
- ▶ **Trust and Privacy**
UK consumers may expect different data usage and sharing.
- ▶ **Payment Preferences** Card payments are preferred
- ▶ **Legal and Regulatory Compliance** Consumer Rights Act 2015, Data Protection Act 2018, UK's distance selling regulations (for cancellation and return)
- ▶ **Work Culture** The power distance is relatively low, individualism, hierarchy, and a competitive.

Commonly, communication is direct and assertive.

Managers usually take a more relaxed approach, giving employees more freedom and responsibility.

- ▶ **Language:** English

Germany

- ▶ **Communication Styles** formal and structured communication style is preferred
- ▶ **Trust and Privacy** Data protection is highly valued by Germans.
- ▶ **Payment Preferences** Prefer to pay with invoices and direct bank transfers.
- ▶ **Legal and Regulatory Compliance** Telemedia Act (Telemediengesetz) , Consumer Protection Act (Verbraucherschutzgesetz),, General Data Protection Regulation (GDPR)
- ▶ **Work Culture** The Power of distance is high, Strong leadership and authority are valued in German culture.

Collectivist work culture.

Communication is often clearer and direct.

Managers foster a organized and structured work environment by involving their staff members more and clear expectation and instruction.

- ▶ **Language:** German

Cultural Similarities between the UK and Germany

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Sample Footer Text
2/7/20XX



Language plays a significant role in the cultural parallels between Germany and the UK. German and English share vocabulary and grammar because they belong to the same Germanic language family, despite being distinct languages.



Both countries have similar celebrations and traditions like Christmas trees and gift-giving are observed during the winter holidays



Social norms such as punctuality and personal space are highly valued in both countries and high importance on punctuality and respect personal space, demonstrating a shared social graces.

What is the Hofstede's Cultural Dimensions Theory?

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- Helps to understand how cultures differ between countries and how business is conducted in various cultures. Enhance the different aspects of culture and how they affect manners and communication. This knowledge is important for various areas like business and diplomacy.



High and Low Context in UK and Germany

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Germany is often seen as a high context culture that uses shared understanding and implicit knowledge for communication. Germans prefer indirect and nonverbal, using high-context style.



In the UK, clear and straightforward communication is valued over providing context. In social and professional settings, British leaning towards clear and precise language which results in low context.



Conclusion

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- ▶ The power distance in the UK is relatively low according to the Hofstede Cultural Dimension. The UK has features like individualism, hierarchy, and competitiveness, unlike Germany. Germany values authoritative leadership, strong authority, and a collectivist work culture, showing a high-power distance.
- ▶ Despite their differences, both countries' winter celebrations and traditions are comparable, and both languages are related to the Germanic language family.
- ▶ Many people have the impression that Germany is a high context society where good communication depends on implicit knowledge and shared understanding. In contrast, low context culture is the result of a pervasive tendency in the United Kingdom towards clear and precise language.

▶

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Thank you for your attention! Any Questions?