



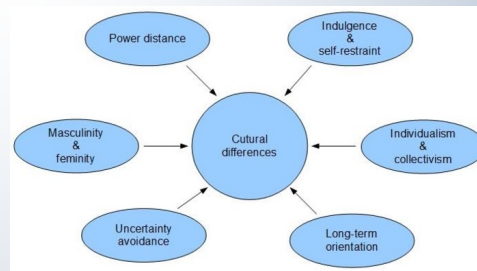
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Slide 2

INTRODUCTION

- INTERNATIONAL BUSINESS COMMUNICATION WILL BE DISCUSSED
- CULTURAL CHALLENGES WILL BE DISCUSSED
- JOINT VENTURE BETWEEN TESCO AND SUNING WILL BE DISCUSSED.
- INTERCULTURAL COMMUNICATION THEORY WILL BE DISCUSSED
- HOFSTEDE'S DIMENSION OF CULTURE WILL BE DISCUSSED



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International business communication is same as regular businesses except it involves culture in it. As international communication is also a great problem because the cultural norms of each country vary from each other. Culture challenges are the issues that start when the conflict in culture arises with other cultures or groups. The report will study the cultural challenges between Tesco and Suning and how these companies will be successful in establishing a joint venture. The report will discuss the cultural challenges of both the companies. It will also use cultural theories and Hofstede's dimension of culture to represent the cultural challenges.



TESCO

- BASED IN UK
- DEALS WITH VARIETY OF PRODUCTS
- FAMOUS FOR ITS FOOD PRODUCTS
- OPERATING IN ONLINE AND OFFLINE MODE

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SUNING COMMERCE GROUP .CO

- CHINESE COMPANY
- DEALS WITH VARIOUS TYPE OF FINANCE
- LEADING COMPANY IN RETAIL AND LOGISTICS



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Suning is a Chinese company which is among the top companies and famous worldwide for its retail business. It has been developing number of stores worldwide. Suning has its own brand name and deals with variety of retail stores.



CULTURAL CHALLENGES

THERE ARE NUMBER OF CULTURAL CHALLENGES WHICH THE TESCO WILL FACE WHILE ESTABLISHING A PARTNERSHIP WITH SUMING IN CHINA.

CULTURAL UNDERSTANDING

- UNDERSTAND THE NATURE OF PEOPLE (AMETOVNA., 2021)
- CONSUMERS ARE INFLUENCED BY CULTURE
- HOFSTEDE'S MODEL TO RECOGNISE THE NEED OF PEOPLE
- CULTURAL DIVERSITY

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Cultural understanding: China has a unique culture which dominants the life of people living there. It is a challenge for Tesco to understand the nature of people. People's attitude and nature are highly influenced by their culture. To capture a new market Tesco can use Hofstede's dimension model to understand the customs and habits of people. This model will help Tesco to avoid uncertainty of preferences and choices. Without the use of specific model international companies like Tesco has a risk of failure while collaborating with

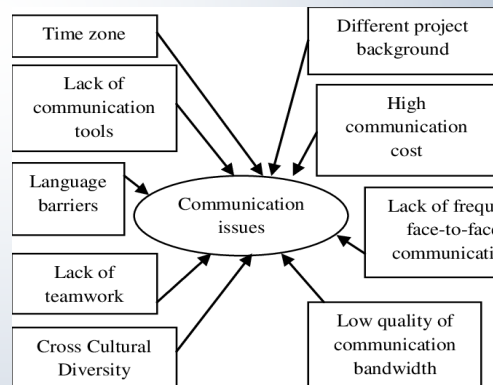
CONTINUE...

REGIONAL-SUBCULTURE DIFFERENCES

- EMERGENCE OF MARKETS
- DIFFERENCES BETWEEN MASCULINITY-FEMININITY
- STUDY OF CULTURE DIFFERENCES

COMMUNICATION ISSUES

- CULTURAL DIFFERENCES
- LANGUAGE BARRIERS (COVARRUBIAS AND KIRSCHBAUM., 2022)



Regional-subculture differences: As the markets are emerging in China the regional differences also rises. With developing markets, consumer choices and market also changes frequently which is a challenge of Tesco. Subcultures also play an important role in ethic variations. Hofstede's dimension model identifies the cultural differences between masculinity-femininity in a society. Like for example 88 percent of the retail purchases are estimated to be done by women, but still market campaigns aims to build differences between men and women. In collaboration with Suning, Tesco has to study properly the culture differences of societies in China to capture a market.

Communication issues: Communication and cultural differences both are a big challenge for Tesco. As after the partnership the employees have to follow certain new rules too and their interaction will be with different new people who will be of diverse culture. Language can be a barrier if the employees do not know each other languages and this will also result in inefficiency in their work as the employees will not be able to communicate with each other easily.

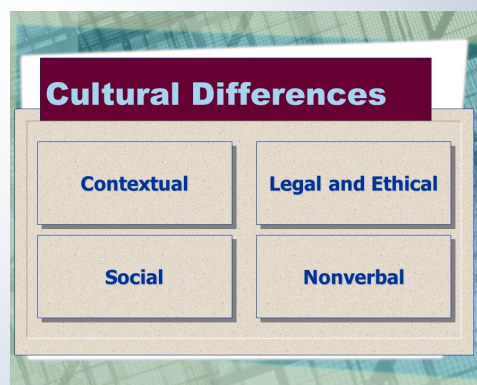
LEGAL DIFFERENCES

LEGAL DIFFERENCES

- PAY SEVERAL TAXES
- ADMINISTRATIVE PROCEDURES
- RULES AND REGULATIONS IMPOSED BY GOVERNMENT

LOCAL BUSINESS PROCEDURES

- UNDERSTANDING OF LOCAL BUSINESS PRACTICES
- STRONG DISTRIBUTION POWER

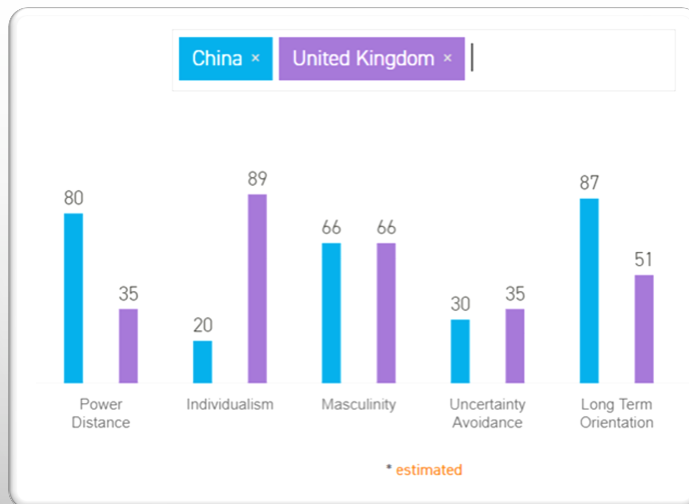


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Legal differences: In order to collaborate with Suning in China, Tesco has to follow certain legal procedures. It has to recruit qualified people and has to pay several taxes before

collaborating with Suning. There are certain administrative procedures which has to be followed by Tesco. As Tesco has to recruit various employees to china it has to various formalities in their transfer. There are also certain rules and regulations imposed by government to secure their companies.

Local business procedures: For entering in a new market Tesco first need to understand the local business procedures and practices. Without having efficient knowledge how a business is operated in a Chinese market including political and cultural differences it is a challenge for Tesco to survive in the market. It can also use Hofstede's model to avoid challenges and maintain a strong power in market and societies. Tesco can use this model to identify the prevailing business trend.



HOFSTEDE'S DIMENSION OF CULTURE

BY USING HOFSTEDE'S DIMENSION OF CULTURE TESCO CAN STUDY THE NATURE OF PEOPLE TO EXPAND ITS BUSINESS IN CHINA (SOCHOR., 2020)..

- POWER DISTANCE: IN UK AROUND 35% OF SOCIETY BELIEVES THAT INEQUALITY SHOULD BE MINIMISED WHEREAS IN CHINA SOCIETY BELIEVES THAT 80% OF INEQUALITY IS ACCEPTABLE.
- INDIVIDUALISM: IN UK AROUND 89% PEOPLE ARE INDEPENDENT AND TAKE THEIR DECISIONS ON THEIR OWN WHEREAS IN CHINA ONLY 20% PEOPLE ARE INDEPENDENT REST OF THE PEOPLE DEPENDS ON OTHERS OR THE GROUPS TO TAKE A DECISION.

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Masculinity: UK has about 66% strong success oriented culture whereas China also has a 66% success where the people give priority to their work first.

CONTINUE...

- LONG TERM ORIENTATION: AROUND 51% OF SOCIETY BELIEVES TO LEARN FROM THE PAST TO DEAL WITH THE PRESENT AND FUTURE CHALLENGES WHEREAS IN CHINA 87% PEOPLE HAS A CULTURE OF PRAGMATIC ORIENTATION.
- INDULGENCE: IN UK AROUND 69% HAVE A WILLINGNESS TO ENJOY THEIR LIFE RATHER THAN THEIR WORK-LIFE WHEREAS IN CHINA 24% SOCIETY HAS A CULTURE TO FULFIL THEIR DESIRES AND ENJOY THEIR LIFE



So this model give some negative and positive aspects which Tesco might can consider in its collaboration with Suning. As these factors will help Tesco to understand the nature of people in China.

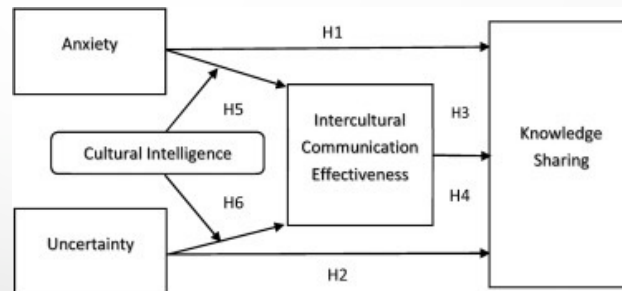
INTERCULTURAL COMMUNICATION THEORY

SOCIAL SCIENCE THEORY

- NATURE OF INDIVIDUAL PERSON (MAYFIELD, WALKER., 2020)
- COMPARISON WITH DIFFERENT CULTURES

INTERPRETIVE THEORY

- KNOWLEDGE ABOUT CULTURE MUST BE ACCUMULATED
- INDIVIDUAL'S EXPERIENCES AND STORIES
- COMMUNICATION IS CRUCIAL



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Social science theory: This theory focuses on the behaviour of an individual person and comparing the person with different cultures. It also determines how an individual adjust itself with different cultures. For example, Tesco can use this approach for its employees to make them feel comfortable in the environment.



CULTURAL SENSITIVITY

- UNDERSTANDING EACH OTHER CULTURE (FONG., 2020)
- RESPECT DIFFERENT CULTURES
- REMOVING LANGUAGE BARRIERS
- GIVING IMPORTANCE TO EVERY INDIVIDUAL

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Cultural sensitivity: Cultural sensitivity means to have an understanding of each other beliefs that are associated with their background. It also defines that person must adopt itself with other individual's value to make them feel comfortable. Every person must realise that there are different culture prevailing besides their own and they must respect each other cultures. By valuing and giving importance to each other cultures its helps to develop a positive society. For example; Tesco and Suning both can maintain a cultural sensitive environment in their companies by giving respect to every culture and making

the employees feel that their culture is also valuable to them. By understanding each other languages and removing the barriers to it and by organising meetings in different languages so that every individual is familiar to it.

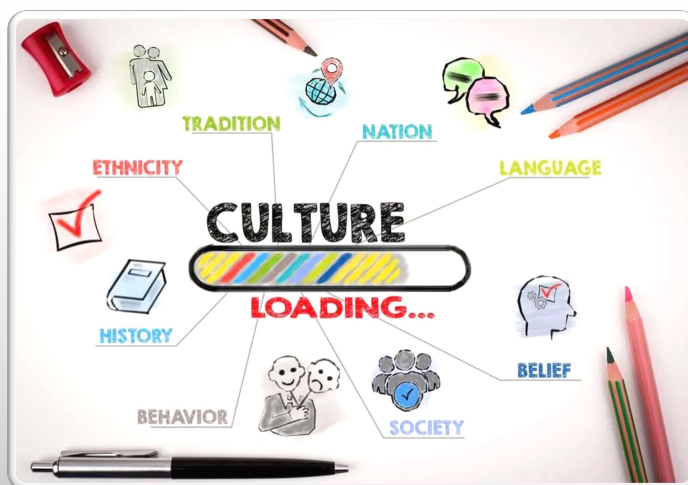
RECOMMENDATIONS

- EFFICIENT COMMUNICATION SYSTEM
(KALOGIANNIDIS., 2021) **RECOMMENDATIONS**
- USE BUSINESS MODELS TO IDENTIFY THE DEMAND
- EVERY RELIGION MUST BE GIVEN IMPORTANCE
- TO FOLLOW ALL THE RULES AND REGULATIONS
- REMOVING LANGUAGE BARRIERS



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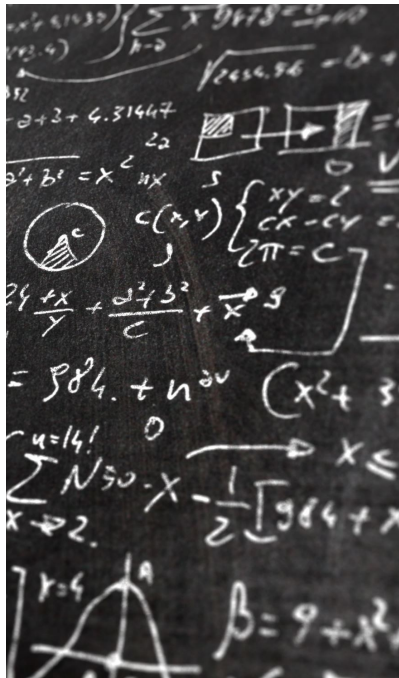
It is recommended that to overcome cultural challenges Tesco and Suning must adopt various techniques. They should develop an efficient communication system familiar to everybody in the company. It should use specific business models to identify the demand and to know the nature of consumers as it will help the company to know more about consumer's choices and preferences. It should identify the variety of cultures and their emergence in the markets. Religion is that factor which is associated with every person culture and it recommended that every religion must be given due importance to avoid the conflicts. It must follow all the rules and regulation of their government. By ensuring these some points Tesco and Suning can have a successful venture in china and can capture a huge market together.



CONCLUSION

- DIFFERENT ASPECTS OF CULTURAL CHALLENGES
- INTERCULTURAL COMMUNICATION THEORIES
- IMPORTANCE OF HOFSTEDE'S MODEL OF CULTURE
- CULTURAL SENSITIVITY SIGNIFICANCE
- RECOMMENDATIONS

Slide 14 The Presentation concluded about international business communication and different aspects of cultural challenges which could be faced by Tesco in its partnership with Suning in China. It highlights what challenges Tesco can face during its joint venture in China. It also highlights the intercultural communication theories and their importance. The report also includes Hofstede's model of culture and the recommendations which can be used to solve the communication and cultural challenges. Thus, the illustrated about the cultural challenges which accompany could face in China.



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