

GLOBAL BUSINESS ENVIRONMENT

Task 2: Evaluation of Business
environment

Desislav Dyankov (2132880)

Mobul code:4005

Lecturer: Dr. Nadem Mirza



Prifysgol Cymru

Y Drindod Dewi Sant

University of Wales

Trinity Saint David

Global Business Environment



Country- India

2nd largest economy by 2050

Per capita income 2170 USD

5 Megacities

Literacy rate is 74.04%

Average labor cost is Rs. 188.03



Opportunities

- Diversity influencing product differentiation
- Low labor cost leading to resource efficiency
- Bollywood being a global fashion influence
- Corporate governance similar to the UK



Challenges

- Bureaucracy leading to lengthy decision making and preventing quick response to fashion trends.
- High nationalism restricting export and import in India.
- Multiple taxes curbing profit share
- Cultural differences creating barriers for communication and operation.



Key Issues

- Political controversies leading to brand failure.
- Competition forcing new entrants to leave the market.
- Government regulations restricting the best operation
- Socio-cultural differences leading to operational failure



Recommendations



Strategic partnership

Can improve their glocalization strategy



Local hires

Word of mouth marketing will be possible



Celebrity endorsement

This will improve their product designs and reach in market

Conclusion

PLT has scopes of high profitability, sales growth, and international business opportunities through establishment of a production unit in India.



References

- BBC Bitesize. (2022). *International aid - Case study - emerging and developing country - India - OCR - GCSE Geography Revision - OCR*. [online] Available at: <https://www.bbc.co.uk/bitesize/guides/zgwm4j6/revision/7> [Accessed 12 Aug. 2022].
- Citra, T. and Harahap, M. (2019). Celebrity Endorsement in Social Media to Enhance Brand Image & Brand Loyalty. *Communicare : Journal of Communication Studies*, 5(1), p.19. doi:10.37535/101005120182.
- Devonshire-Ellis, C. and Shira (2014). *Doing business in India*. Berlin ; London: Springer, Cop.
- Mukherjee, S. (2021). *List of Popular Brands that Failed in India*. [online] OkCredit Blogs - Business Ideas, Tips, Government Schemes & more. Available at: <https://okcredit.in/blog/popular-brands-that-failed-in-india/> [Accessed 12 Aug. 2022].
- Nast, C. (2020). *Sustainability in fashion relies on embracing diversity*. [online] Vogue Business. Available at: <https://www.voguebusiness.com/sustainability/sustainability-in-fashion-relies-on-embracing-diversity> [Accessed 16 Aug. 2022].
- Worlddata.info (2022). *List of the 152 Developing Countries*. [online] Worlddata.info. Available at: <https://www.worlddata.info/developing-countries.php> [Accessed 12 Aug. 2022].