

ASSIGNMENT 1: TASK 2

GLOBAL BUSINESS ENVIRONMENT

(LCBB4005)

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JOHNSON & JOHNSON

- ▶ The US city of New Brunswick, New Jersey, is home to J&J's headquarters.
- ▶ Founded in 1886 .
- ▶ Pharmaceuticals, medical equipment, and consumer goods are all developed, produced, and sold by Johnson & Johnson (J&J).
- ▶ Pharmaceuticals for immune disorders, cancer, neurological conditions, infectious diseases, cardiovascular diseases, and metabolic disorders are offered by the business, along with consumer products in the categories of oral care, baby care, beauty, over-the-counter (OTC) medications, women's health, and wound care.
- ▶ Additionally, the business offers medical devices for use in the fields of cardiovascular, orthopaedic, general surgery, and vision care. In addition to providing consumer goods through retail stores and distributors, J&J also distributes pharmaceutical and medical products to retailers, wholesalers, medical professionals, and hospitals.
- ▶ The business sells its goods across the Western Hemisphere, the US, Europe, Asia-Pacific, and Africa (Gorsky,2020)



Introduction

The introduction would be provided regarding the country for which analysis has to be pursued across this consideration.

- The economic condition of Austria
- Laws and government
- The opportunities for doing business in Austria
- Threats of doing business in the Austrian's market

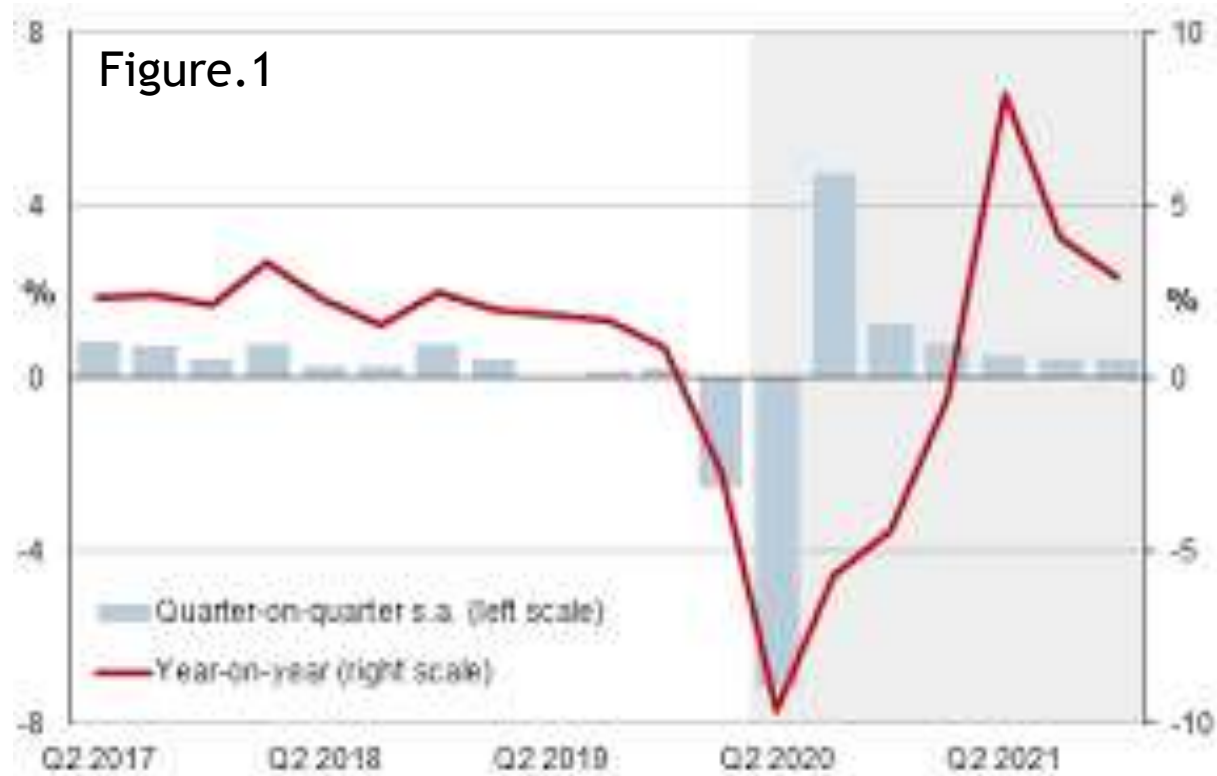
The Republic of Austria

► “AUSTRIA”

We will conduct an in-depth investigation, and critical evaluation of the selected country regarding its business environment.



Economic condition of the republic



Focus Economics(2021)
Austria GDP Q1 2021

- ▶ Total Population: 9.0 million
- ▶ GDP: \$479 billion
- ▶ GDP growth: 4.6%(Fig.1)
- ▶ Inflation: 1.2%
- ▶ Highest labour force (in a specific industry): Services (74%). (FocusEconomics, 2022)

Opportunities for business in Austria

It could be determined that Austria has best infrastructure in terms of technology, energy, and transportation

People of Austria have high quality of life; their dependency is to acquire ultimate luxury over this consideration

They have a full integration in the global market prospects (Austria-InternationalTradeOrganization, 2022).

3900 international companies have already developed themselves in the premises of Austria.

The business has ample growth opportunities because of the market diversification , and increase in economic factors over the span of time.

Austria also provides the right incentives for businesses to boost their research and development (Samaddar, 2022).

ADVANTAGES

- Austria is one of the emerging countries that could achieve success in the near future.
- Despite the higher competition, if a business introduces its product, or services in Austria; it would contribute the most to the business for their growth because of the market potential (Austria-InternationalTradeOrganization, 2022).

Laws of Austria related to business

Following are the laws devised by government, and Judiciary of Austria to assure a proactive business environment across this consideration.

Company Law of Austria

Intellectual property law of Austria

Labour safety, rights law of Austria

Currency control, and corporate tax law of Austria

Restructuring, and insolvency law.
(Dimireva, 2022)

Challenges for businesses in Austria

The businesses that are operating within the premises of Austria are highly sanctioned by the European Union and the government of Austria. It may take longer to become a part of the market in Austria because of this reason.

Austrians are very risk-averse. Introducing a new product to the market competition is a very challenging task over this consideration
(PrivacyShieldFramework, 2022).

Threats

High inflation in Austria. Therefore, the prices are drastically high of the raw material due to the increase in the prices of the product over this consideration.

Austria was dependent on 80% of its energy consumption from Russia. Though, to reduce their dependency; they must assure another supplier. As the manufacturing industry greatly depends on energy consumption (Dimireva, 2022).

What policy should be followed and what is the right strategy ?

- ▶ As Austrians are very risk-averse, the only way through which a business could enter to the market of Austria is by being a cost leader.
- ▶ However, they have to assure the least pricing as compared to their competitors so that they could (**FocusEconomics, 2022**).

Conclusion

- In the slides above we discuss the economic state of Austria and the most important points affecting the business environment in the country. We learned about the GDP ,total population and the inflation rate in The Republic of Austria. Furthermore , we analyzed what opportunities ,threats and challenges are hidden in this developing country. Also discussed about the right strategy for operating and what policy the business should apply for success.

CONCLUSION

A hand is pointing towards the word 'CONCLUSION' which is written in large white capital letters on a dark blue background. The background features abstract green and yellow geometric shapes on the right side. The word 'CONCLUSION' is partially obscured by a white horizontal line and the hand.

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