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Introduction

India is the world's largest democracy. It is also the seventh-biggest country in the world and the largest by area in South Asia. Mumbai is the biggest city, although New Delhi is the capital. English is a second official language alongside Hindi as the official tongue. In 1947 India became an independent nation. In the last decades, India has seen tremendous economic and technical boom. Both its high-tech industry and educational system are robust. Due to their competence and renown as diligent workers, Indian labourers are also in demand in Western nations.

First, global business environment in India is very good to start a new business. India's total amount of land is larger than that of Europe. There are 16 recognised languages spoken there, in addition to many regional dialects and patois, and the population speaks a dizzying variety of them.

Second, it is important for a company to analyse the importance of PESTLE analysis. The primary external elements (Political, Economic, Sociological, Technological, Legal and Environmental) that have an impact on an organisation are examined through a PESTLE study. It can be applied in a variety of situations and aid senior managers and human resource specialists in making strategic decisions.

Moreover, there are some external factors that affect the business environment of a company in a country. The factors are: natural resources, market situations, ethical factors, social factors, global factors, competitive factors, human resource factor, technological factor, entrepreneur and innovation factor. Furthermore, for this report I decided to choose a Primark. Primark does not operate in any countries in Asia, entering the Indian market is a great opportunity for Primark to continue expanding their global presence. This report will provide the main reasons behind the choice of India. In addition, the various benefits and potential issues will be explored (NDLA, no year).

Business environment of the country

Business environment analysis is very important for a company because it helps the organisation so that they can prepare themselves better for the changes in their environment. By monitoring the environmental changes, they can easily deal with the

opportunities and threats and addresses the strengths and weaknesses of the business environment.

India is a fascinating market for foreign companies and investors since it is a rapidly developing country and the largest democracy in the world. The nation, which has a population of more than a billion, has experienced a rise in economic growth recently and is currently the fifth-largest economy in the world by GDP. With consistent yearly growth rates of between 6 and 7 percent, India's GDP growth has been the highest in the world for the previous ten years. There are some advantages and disadvantages of doing business in India (Wolters Kluwer N.V,2023)

First, advantages and disadvantages of doing business in India

Stable economy makes the India's economic development extraordinary. India has attained a high macroeconomic stability ranking (with a score of 90 out of 100 and ranked 41 out of 141 economies) in the World Economic Forum's (WEF) Global Competitiveness Index, helped by a strong democracy, significant structural reforms, private consumption, and an increase in government investment. Moreover, India's strong improvement in doing Business rankings over the past several years is a fantastic accomplishment, especially for an economy as big and complicated as India's, said Junaid Ahmad, the World Bank's country director in India. India achieved great advancements thanks to the special attention paid by the top leadership of the nation and the steadfast efforts made to advance the business reforms agenda, both at the federal and state levels.

In India there is a digital competitiveness and India has emerged as a leader in technological innovation. High-tech businesses in industries including engineering, information technology, textiles, and telecommunications are equally sophisticated and well-known as their counterparts outside. In fact, alongside China and the United States, India is increasingly acknowledged as a key force in technological innovation globally. Although massive consumer market of India is the third-largest market in the world for manufactured products and services out of 141 economies, according to the WEF's Global Competitiveness Index. It's expected the market will only expand. By 2030, the WEF predicts that India's overall consumer spending would reach \$5.7 to \$6 trillion (Wolters Kluwer N.V,2023).

Second, disadvantages of doing business in India

India's infrastructure is still being developed and is sometimes insufficient, which can make doing business challenging. Some of the frequent difficulties are insufficient power supplies, faulty internet access, and poor transit networks. Moreover, Rules and regulations frequently change in India's legal and regulatory framework, which can be unexpected. To prevent any legal or regulatory concerns, businesses must be aware of the legal and regulatory framework and keep up with developments. Furthermore, with high tax rates and frequent changes to the tax rules, India's tax system may be complicated and perplexing. India has a serious corruption problem as well, which can make it challenging to do business without accepting bribes. India's culture and customs are diverse, and they can differ greatly from one location to another. This might make it difficult to comprehend and traverse diverse regions of the country's commercial practises. With frequent changes in the administration and policies, India's political climate may be unstable. This may lead to uncertainty and make long-term planning challenging (Wolters Kluwer N.V,2023)

Analysis of business environment

Environmental analysis can be used strategically. It is a technique to pinpoint all the internal and external factors that might influence an organization's performance. In the analysis, the potential threat or opportunity posed by the factors is evaluated. Later, the decision-making process incorporates these evaluations. Strategy alignment with the firm's environment is made easier by the analysis.

Every day, our market is undergoing adjustments. Over time, a lot of new things emerge, and the entire situation can change in a matter of seconds. Some factors are outside of your control. However, a lot of these factors are under your control.

Businesses' environments have a big impact on them. Businesses are impacted by all situational aspects that shape daily conditions. As a result, firms must continually assess the market and the trading climate.

A company might utilise a variety of methods for strategic analysis, although some are more popular than others. The PESTLE analysis is the most popular environmental detail analysis. This is an aerial picture of the company operation. This research helps

managers and strategy developers understand where their market is at the moment. It also aids in projecting the organization's future state.

PESTLE analysis includes a number of variables that have an impact on the business environment. Each letter of the acronym stands for a group of elements. Every industry may be impacted by these elements directly or indirectly (Indiafreenotes,2021).

PESTLE Analysis

Managers frequently decide to just educate themselves about political, economic, social, and technical aspects. They carry out the PEST analysis in the situation. An environmental analysis also includes PEST.



Figure: PESTLE Analysis

The political aspects take into account the nation's present political climate. Political factors include government policies, taxes laws and tariff. The impact of the world's political situation on the nation and economy is also stated. When carrying out this step, inquire as to "what type of government leadership is influencing the firm's decisions". Moreover, all the elements that affect the economy and its status are considered to be economic factors. These are elements that can be used to predict the course of the economy. Therefore, businesses consider the environment when analysing this factor. Creating tactics that reflect changes is beneficial. These factors include unemployment rates, the foreign exchange rates, interest rates (Indiafreenotes,2021).

Although, social factors have social lifestyle, cultural implications, gender difference and educational levels. Countries differ from one another. Every nation has a unique mentality. The companies are impacted by these sentiments. The sales of goods and services might eventually be impacted by societal considerations. Technology is always improving. The development has a positive impact on business. You can keep up with the changes by doing environmental analysis on these elements. These include new discoveries, innovative technological platforms. Legal factors have employment regulations, health & safety regulations. It occasionally happens for laws to alter. Numerous of these changes have an impact on the business climate. A legislation would have an effect on businesses and industries in that economy if a regulatory agency established a rule for certain industries, for instance. Consequently, businesses ought to research legal developments in their specific environments. Last but not least, location has an impact on business transactions. Climate changes may have an impact on trade. Consumer responses to a certain item might sometimes be problematic. This mostly impacts agricultural enterprises (Indiafreenotes,2021)

SWOT Analysis of India

We'll look at India's SWOT analysis today. The second-most populated nation's internal and external issues will be examined in this section. Look at the India pestle analysis for information on macro-environmental issues. The India SWOT analysis is as follows:



Figure: SWOT Analysis

Strengths Of India

India is in the ideal location to use solar energy, and the nation already does so through the use of solar cookers, water pumps, and lamps. In 2015, she achieved the distinction of becoming the first nation to create and use energy on a commercial scale. During the same year, the government sold 1.4 million solar cookers. Moreover, India is an agricultural nation that annually produces a vast array of grains and crops. In other words, there is a surplus of food available from the government. India really ranks second after China in terms of global food production. She has to improve her equipment urgently because her output is declining.

Furthermore, In India, there are more tech businesses and tech cultures, which is boosting the number of career options for young people. Due to the time differences, Indian offers tech support to international tech companies twenty-four hours a day. Millions of professionals with education and talent are annually produced by Indian institutions. These recent graduates venture out into the workforce to look for the ideal position for their career after completing their studies (Business management & marketing, no year).

Weaknesses Of India

India is known for being a developing nation. As we all know, India has a sizable population, which conceals the nation's capabilities and competent workers. When certain bad apples engage in phone scams and robotic calls in other nations, people may tell that the fraudsters are Indians by their accents these things make the countries reputation poor. An estimate places the wealth of the entire nation of India under the control of about 1% of the population. It has brought up a significant issue about unequal wealth distribution, which raises the prevalence of poverty. The mother of all evils, so the saying goes, is poverty. People are eager to do everything to make ends meet when they are hungry. Poverty level of India is the second-largest producer of food in the world, as we covered in the strength part, therefore it doesn't make sense that she is becoming more and more impoverished. India was placed 94th out of 107 nations in the Global Hunger Index 2020 forecast. It's really high, and if you compare it to the previous position, India's poverty rate has been declining (Business management & marketing, no year).

Opportunities Available to India

The Indian economy has enough potential for investment in the commercial fields. It's because the nation has affordable labour resources. It is something that many multinational corporations find interesting. Their economic situation will improve if they invest in the nation. Due to uneven wealth, the gap between the affluent and poor classes is widening. To close the gap, the Indian government should start a number of projects. More jobs would be made available as a result, and the nation would advance and the income gap is reduced. Moreover, Indian economy has adopted liberal and globalised policies, including those pertaining to trade agreements, LGBTQ rights, globalisation, and many more. Her economy has been growing quickly as a result of this mentality. The nation will overcome many of its economic and social problems if it continues in the same manner (Business management & marketing, no year).

Threats India Has to Face

Extreme poverty in India is grappling with two pressing issues: poverty and population growth. The two elements work well together. Some politicians have made the expert recommendation that the government implement two-child regulations. The nation would benefit from a slower rate of population expansion. To be over the poverty line, one has to earn at least \$2 per day. Many people find it difficult to make so much money. By the end of 2023, India's population will surpass that of China if it continues to grow at this rate. Her supplies are few, and the population is growing. Many individuals live in remote communities and lack even access to the most basic requirements of existence. Hypertension is the big issue in India. If you believe that India's young population benefits the nation and that the government is making use of the young potential. Over 40% of young people, who make up the majority of the population, are under 35 and have hypertension. Due of the severe economic situation and restricted employment options. An estimated 30% of deaths in India are thought to be related to hypertension (Business management & marketing, no year).

Porter's Five Forces



Figure: Porter's Five Forces

Porter's five forces are as follows: industry competition, the possibility of new entrants, supplier and customer power, and the danger of alternative products.

In India there is a big competitive rivalry in the market. Suppliers and buyers face high competition to give good deals and less price. When the competition is low companies give good offers and achieve high sales and profits. Moreover, in India there are some barriers for a company to enter in the market. A company's position would be greatly weakened if a new competitor could enter a market with ease. Another important component in the five forces paradigm is supplier power. If there are fewer providers on the market, there will be a higher demand for suppliers. In this scenario, the supplier has more control over the price of input costs as well as other trade benefits. Although, customers can influence pricing or bargain for better conditions. Each client has more negotiating power since there are fewer of them, which results in better deals. It will be simpler for a business to raise prices to boost profitability if it has a limited, independent base of clients. Furthermore, alternatives are comparable goods or services that may be utilised in place of a current one in a business. When comparable items are offered, the corporation will have the choice to choose alternatives, reducing its influence (AngelOne, no year).

Conclusion

The changing global business climate is filled with possibilities and challenges for businesses. Organisations must have a thorough awareness of the elements

influencing this environment if they are to prosper in it. While Porter's Five Forces analysis aids firms in identifying competitive forces within an industry, PESTEL analysis offers insights into the political, economic, sociocultural, technical, environmental, and legal variables that have an influence on organisations. Instead, SWOT analysis aids companies in assessing their internal advantages and disadvantages as well as potential threats and opportunities from outside sources. Companies may successfully traverse the challenging global business climate by using these analytical tools.

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Appendix: 1 PowerPoint slides

INTERNATIONAL BUSINESS ENVIRONMENT

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Introduction about the country

- To enter in the country there are some external factors that affect the business environment of the company.
- India's land is very big so it is very helpful for any company to start their new business in India.
- India is a independent country and their educational system and high-tech industry is very good to start a business.

BUSINESS ENVIRONMENT OF THE COUNTRY

- There are some advantages and disadvantages of doing business in India.
- Advantages like stable economy and high tech industries.
- Disadvantages like infrastructure, tax rates and climate

ANALYSIS OF BUSINESS ENVIRONMENT

- Analyse the business environment is very helpful for a company because with the help of this companies can easily learn the country's environment and start their new business easily.
- Regulations and rules are one of the main ways that the environment has an influence on companies. Governments put some restrictions to reduce the environmental effect of enterprises, such as emission limits and rules for waste disposal. These restrictions include the risk of penalties or legal action, which may be expensive for firms.

PESTLE ANALYSIS

- A methodology called PESTLE analysis is used to examine the macroenvironmental elements that have an influence on an organization. The six PESTLE analysis headings are:
- Political factors
- Economic factors
- Sociocultural factors
- Technological factors
- Legal factors
- Environmental factors

SWOT ANALYSIS

- An organization's internal strengths and weaknesses, as well as external opportunities and threats, are determined using the strategic planning technique known as the SWOT analysis. A SWOT analysis' headings are:
- Strengths
- Weaknesses
- Opportunities
- Threats

STRENGTH

- Large and growing consumer market
- Skilled and educated workforce
- Low labour costs
- English-speaking population
- Growing economy
- Strategic location

WEAKNESSES

- Infrastructure challenges
- Bureaucracy and corruption
- Limited access to capital
- Complex tax system
- Political instability
- Limited intellectual property protection



OPPORTUNITIES

- Growing middle class
- Digitalization
- Healthcare sector
- Renewal energy
- Manufacturing
- Infrastructure development



THREATS

- Economic volatility
- Regulatory and policy changes
- Trade barriers
- Political instability
- Infrastructure challenges
- Competition from other emerging markets

PORTER'S FIVE FORCES

- An industry's competitive forces may be analyzed using Porter's Five Forces as a framework. There are five forces:
- Threat of new entrants
- Bargaining power of suppliers
- Bargaining power of buyers
- Threat of substitute products or services
- Rivalry among existing competitors

CONCLUSION

- Firms can discover competitive forces in an industry by using Porter's Five Forces research.
- PESTEL analysis provides understanding of the factors that affect organizations on a political, economic, sociocultural, technological, environmental, and legal level.
- Companies may examine their internal strengths and weaknesses as well as prospective threats and opportunities from the outside by using a SWOT analysis.

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