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INTERNATIONAL BUSINESS COMMUNICATIONS
ASSIGNMENT 2
GROUP4

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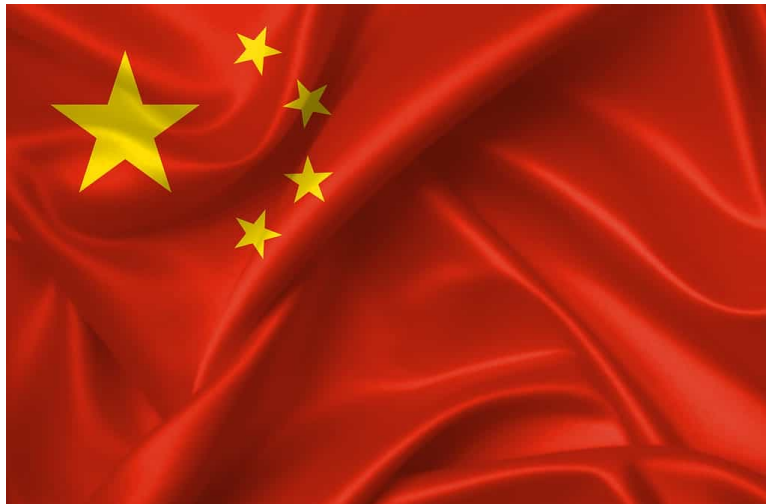
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INTRODUCTION OF THE SELECTED DEVELOPING COUNTRIES



China

A country in East Asia. It is the world's most populous country, with a population exceeding 1.4 billion people.



United Kingdom

of Great Britain and Northern Ireland

surrounded by one ocean, three seas and one canal. with an estimated 2020 population of 67 million people.

CHOSEN JOINT VENTURES



Yonghui Superstores is a publicly listed company operating chain supermarket stores in China. Coming across 28 provinces in China with **over 926 locations**



Tesco is British multinational groceries and general merchandise retailer. It is also the market leader of groceries in the United Kingdom. **with 4.673 locations**

CULTURAL DIFFERENCES



The difference in culture can result in communication challenges.

It is important to make sure the communication is done to avoid any negative impact of these differences (Yan, 2019).

The communication by Tesco with individuals on senior positions in Yonghui Superstores should be done carefully in China.

Additionally, the junior positions in Tesco should not directly communicate with seniors in Yonghui Superstores (Fabbi, 2017).

The UK is a democratic country and this is an important aspect of their culture. While on the other hand, the majority of Chinese have Communist beliefs.

The discussion on political matters should be avoided while the communication between Tesco and Yonghui Superstores takes place related to Joint Venture.

CULTURAL DIFFERENCES

The Chinese culture values relationship building with long term perspectives while in UK the merit is preferred.

This cultural difference can create challenges for the joint venture especially in terms of working with external parties.

The people all over the world are sensitive about being called by the right name. But the Chinese are more sensitive about it.

It should be ensured that people names are called accurately to avoid any conflict due to cultural sensitivity.

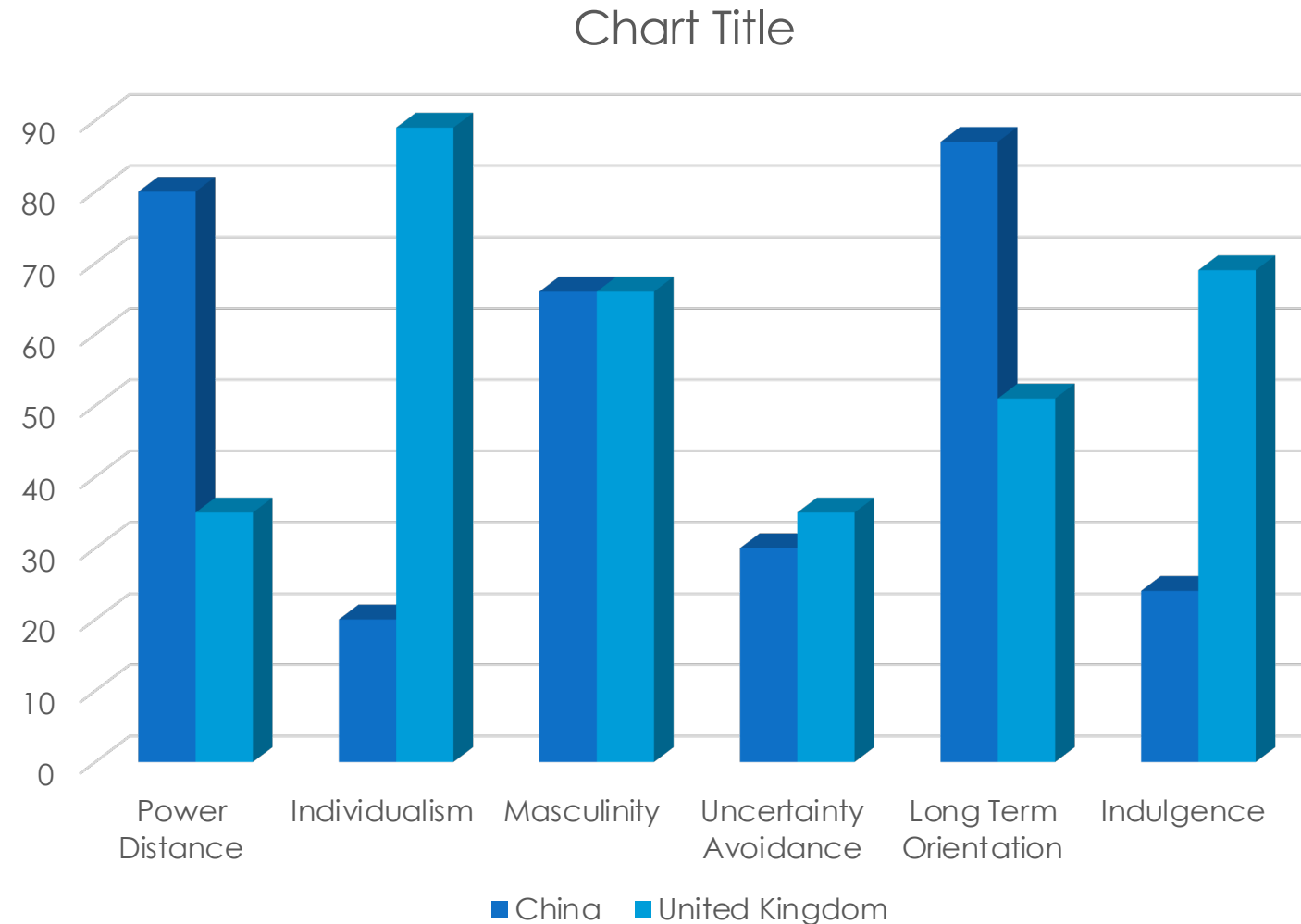
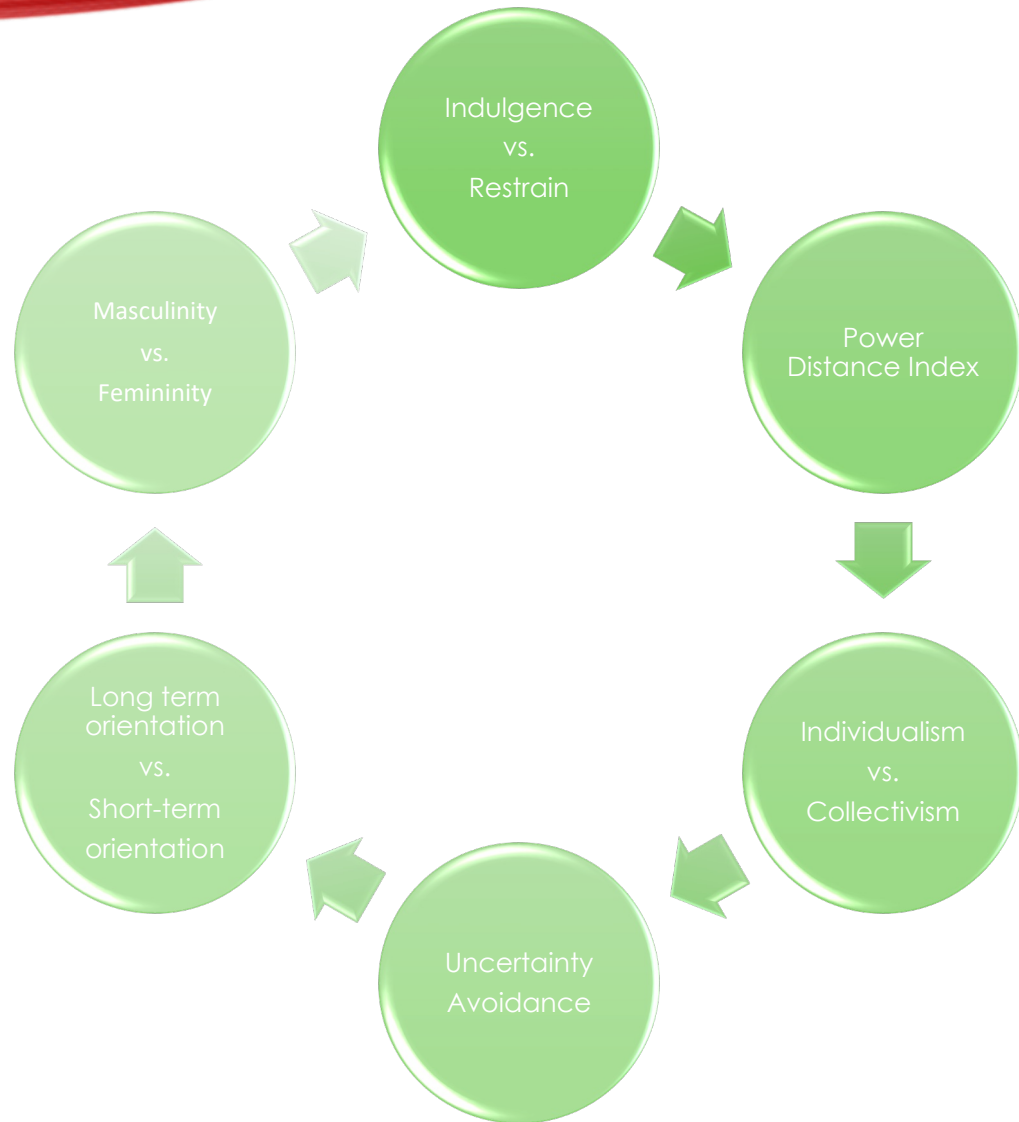
In Chinese culture, addressing older people with names is considered inappropriate which is not the case in UK.

The Tesco should ensure that communication with the senior individuals in Yonghui Superstores should be done carefully and their names must not be called directly.



HOFSTEDE'S CULTURAL DIMENSIONS THEORY?

UK VS CHINA





SUCCESS AND FAILURE FACTORS OF JOINT VENTURES

• **Success Factors**

- Clarity of goals
- Unified strategy
- Availability of finances
- Being on the same page
- Flexible Attitude (Pride et al., 2017)

Failure Factors

- Ineffective communication
- Difference in priorities
- Lack of understanding about each other
- Varying expectations (Erasmus et al., 2019)

COMMUNICATION THEORIES

- **Face Negotiation Theory**

- The face of an individual plays an important role in communication.
- The response to the conflict requires keeping a face according to the society (Shuter, 2017).
- Chinese have a collectivist culture, and they tend to avoid direct conflict.
- This should be kept in mind by Tesco while communicating with Yonghui Superstores.

- **Communication Accommodation Theory**

- As per this theory, humans accommodate their behaviours while communicating.
- This helps in limiting the differences that are present due to cultural differences.
- Using more body language while communicating with Yonghui Superstores representatives will help the individuals from Tesco (Zhang and Shin, 2020).

COMMUNICATION THEORIES

- **Anxiety / Uncertainty Management Theory**
 - The individuals experience high level of uncertainty when they come in contact with people of different culture.
 - Comfortable environment should be created to reduce this anxiety for better communication.
 - By greeting the employees of Yonghui Superstores in their customs, a better communication environment can be created by Tesco (Yan, 2019).
- **Integrative Communication Theory of Cross-Cultural Adaptation**
 - As per this theory, the interaction with new cultures creates an impact on the individual.
 - In long term, this creates a change based on continuous experiences (Shuter, 2017).
 - The Tesco should make sure their employees experience Chinese culture as this will improve their communication with individuals in Yonghui Superstores.

REAL LIFE EXAMPLES

- The people in UK greet each other by saying words (e.g. hello or hi etc.)
- The people in China bow to each other for greeting (Zhang and Shin, 2020).
- People in UK tend to avoid small talk and come direct to the point.
- Chinese indulge in small talk and avoiding it is considered disrespectful (Fabbi, 2017).



REAL LIFE EXAMPLES

- While giving presentation, the Chinese cultures prefer listening about past successes or experience.
- Culture of UK is more focussed on potential benefits and future possibilities.
- In Chinese culture, it is preferred to know the business partner personally before entering into agreement (Zhang and Shin, 2020).
- In UK, the partnership is a legal agreement and personal factors are not important.



RECOMMENDATIONS

Based on the discussion on the cultural challenges that may be faced and different communication theories, some of the recommendation for Tesco relating to joint venture with Yonghui Superstores are as follows:

The Chinese culture should be carefully analyzed to understand different aspects of communication.

The relevant individuals of Tesco should be made familiar with the local culture to ensure better interaction.

It should be ensured that the UK styled communication is not practiced to avoid conflict.

The employees of Tesco should be provided complete training to interact with Yonghui Superstores officials to reduce the cultural barriers that may occur.

BUSINESS COMMUNICATION SOLUTIONS

Tesco should hire a consultancy service to manage the initial communication with the Yonghui Superstores.

Their representative should be provided Chinese language training for better communication.

The local customs related to meeting, greeting and body language should be learned by staff of Tesco.

A collaborative environment should be fostered by higher interaction to improve the communication.

The mutual team activities should be organized that will promote better relationship between the team members of both companies.

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