

# [Example of international business cultural audit research paper](https://assignbuster.com/example-of-international-business-cultural-audit-research-paper/)

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In this case, I will choose Coca Cola Company Limited which is a multinational beverage manufacturing corporation dealing in production of Non alcoholic beverage and its based in Atlanta Georgia the product being Coke, the new market of my choice in this scenario is Kenya a country in East Africa well known for sports, tourism and cultural diversity.
My main focus in this new market will be on the broad cultural components in Kenya, In regards to aesthetic values which concerns with beauty Kenya is well blessed this is well illustrated by the famous Maasai,, a sub tribe in Kenya community popular known by their unique dancing styles who attract huge attention from tourists when they visit the country, this variable enhances our strategy of entering this market in that we are sure that the locals in within the country do love fun and definitely it will go hand in hand with our product Coca Cola drink whose theme involves enjoyment its also a significant variable for consideration by the company since such dancing styles can be used to market the product due to the fact that the dance style is known all over the world through tourism hence facilitating awareness, sales and loyalty, other rich aesthetic values in Kenya is the traditional music sang with traditional customes and creative arts common with the unemployed youths
Attitude and beliefs entails predisposition and way of life in each an everyday life, In Kenya they do have a very positive attitude towards time such that they do wake up very early and sleep very late to enable them make ends meet this attitude is enhanced by the fact that job opportunities are so limited hence one should work extra hard in what he or she does in addition they do have a very positive attitude towards achievement these is enhanced by the fact that most people do leave for less than 2 dollar a day and so they would work extra hard to improve their living standards finally they do also have a positive attitude towards change evidence by the fact that they embraced the new technology very fast, these variables are significant consideration for Coca Cola since the positive attitude towards change means that they will embrace the new product if introduced in addition since they work so hard they will need to refresh themselves and Coca Cola comes in handy.
Religion entails belief in supernatural human being, in regards to Kenya the predominant religion is Christianity adhered to by about eighty percent of the population other faith practiced include Hinduism and Islam. This variable has greatly affect the entry of Coca Cola in the market positively since their teachings normally discourages the consumption of alcoholic drinks meaning that believers can enjoy non alcoholic drinks when in need of refreshments this translates to increased target market for the Coca Cola products
Material culture refers to the physical objects people create and attach meaning to technology, in regards to Kenya they have been very quick in embracing new technology and recently they adopted fiber optic which has promoted the internet infrastructure and in regards to economics, business are centred in the manufacturing of foodstuff, drinks and household equipments. these is a vital consideration for the company since it means it has to compete with the local non alcoholic beverage producing companies such as Pepsi meaning they have to put strategies in place to outwit the existing companies through strategies such as price cut, differentiation and emphasis on quality.
Education system in Kenya has greatly improved in the recent years with the introduction of free primary education and subsidization of secondary education it now means that many Kenyans have gone to school hence promoting the literacy levels and promoting human resource development(Paul, 2011). This variable has enhanced entry of Coca Cola Ltd in the market since the many school going children will create a perfect market for the product in addition the fact that most locals are in a position to read and write will facilitate easy marketing and selling of the company products.
Language refers to method of human communication, Kenya is a multilingual country with its official language being English and Kiswahili, in overall there are forty two tribes in Kenya(Aswathappa, 2010). Language variable is an important consideration to Coca Cola Company due to the fact that since it is an international company , the language they mostly use to label and market their product is English meaning that it will be easy to market their products since a large proportion of the population can understand English language, the company can also easily integrate with the local market. In some regions in Kenya such as coast province Swahili is the most preffered language and so the company can adjust its strategy by marketing and labeling their products in the native language in order to easily penetrate the market
Social organizations entails the composition and role of family, in the context of Kenya the family is normally made up of father, mother and children with the father being the head of family and breadwinner the structure involves respect of the elderly and parents. The main role of mother is to take care of the house, children and cook food as well as helping the father in some tasks so it’s the mother who normally influences what is to be bought in an household this as implication on Coca Cola strategies of penetrating the market, since they should concentrate their energies in marketing the products to attract the children and mothers as they form a high percentage of the target market.
Legal environment refers to the set of laws that govern the setting up and operations of business and in this context foreign business, In Kenya there are many legal challenges in set up of new business and include the high taxation rates and the fact that it takes time to obtain business licences and permits to start a business on the brighter side there are incentives for foreign investments which include; investments allowance for new machinery and the fact that loss carried forward to be offset by future profits this will encourage the entry of Coca Cola in this new market segment due to the fact that their initial investments in capital assets will be taxed allowed hence overall reduction in tax paid if profit is generated.
The political structure in Kenya is very dynamic and unstable, in 2007 the disputed general election lead to post election violence leading to hundred of thousands being displaced and over a thousand deaths this lead to a reduction in economic growth and insecurity. This factor greatly discourages the entry of Coca Cola Company in such a market as it's viewed as dangerous, risky and unstable(Mitchell, 2008).
The strengths of Coca Cola Company ltd include the brand image in that it is among themost widely recognized brand in the world in addition it also has a very large distribution network in over 200 countries hence facilitating easy distribution of Coca Cola products, finally it has positioned itself well in the eyes of the consumers its weaknesses include the fact that it has exploitative labor practice, environment destruction and monopolistic business practice, some studies have also shown that excess consumption of coca Cola products is harmful to ones health. The opportunities include; due to its brand image and customer loyalty it makes it very hard for new competitors to enter the market hence maintaining their market share in addition to expanding its target market through manufacturing of healthy drink such as Coke diet. Treats include the competition from Pepsi which also operates in the same line of business in addition to large number of substitutes in the market such as water and tea. the main form through which Coca cola market itself and the company is through advertising through print media, electronic media and billboards not to forget sponsoring of sports such as world cup tournament, in regards to management philosophy emphasis is on teamwork, quality products , productivity as well as proper communication with the staff finally the financial strategies include maintaining prudent levels of debt so as to lower the overall cost of capital(Griffin, 2012).

## Reference

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