

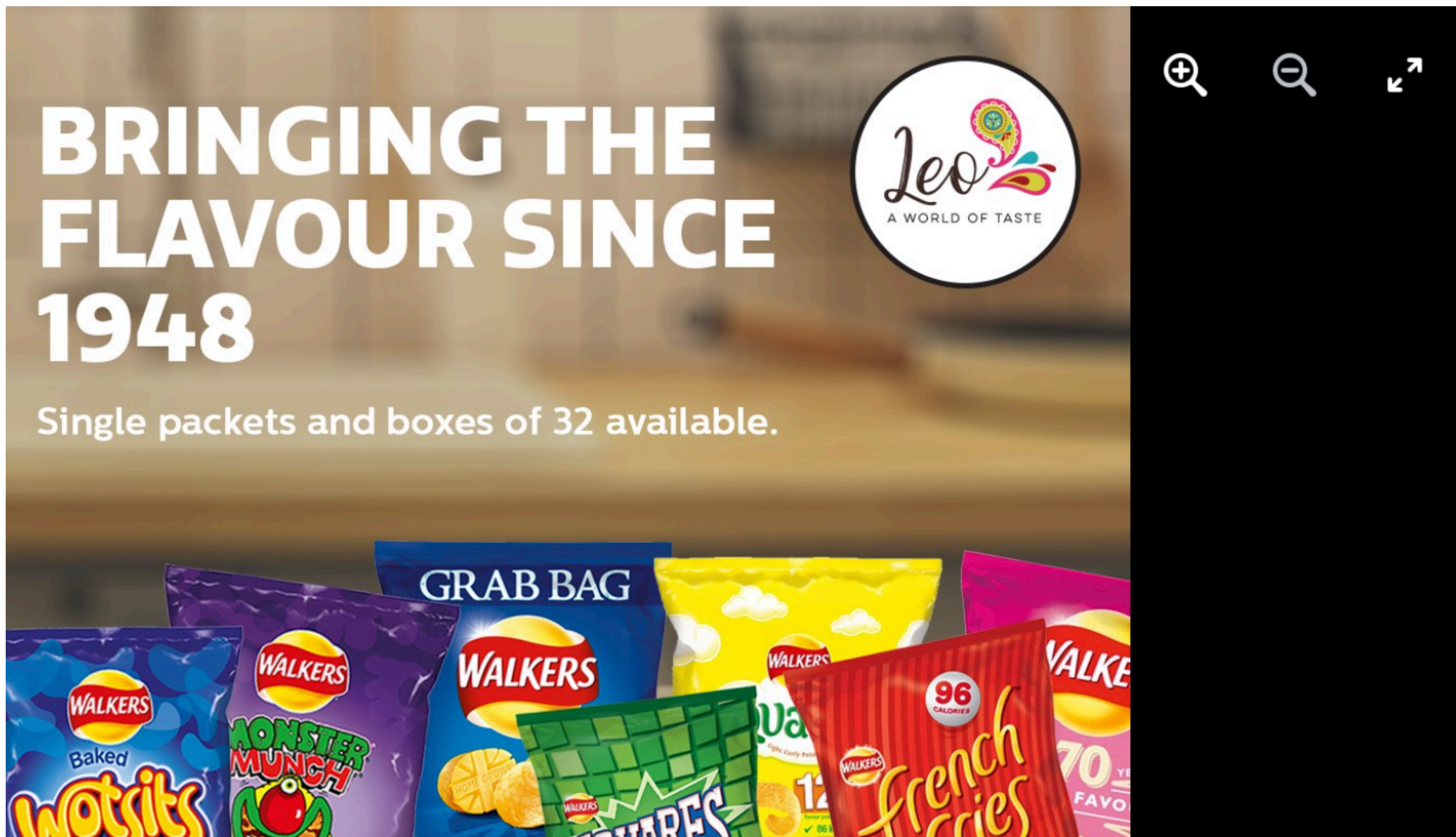
International Business and Finance Seminar 6

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24 Jul 2023

Doing Business Is Not As Simple as You Might Thought..



Walkers



Walkers Ltd^[4] is a British **snack food** manufacturer mainly operating in the UK and Ireland. The company is best known for manufacturing **potato crisps** and other (non-potato-based) snack foods. In 2013, it held 56% of the British crisp market.^[5] Walkers was founded in 1948 in **Leicester**, England, by Henry Walker. In 1989, Walkers was acquired by **Lay's** owner, Frito-Lay, a division of **PepsiCo**.^[6]



Ms. Mulvaney, 26, is popular on TikTok, where she has more than 10.8 million followers and has been documenting her transition online. She celebrated a full year of her “Days of Girlhood” series in March with a live show at Rockefeller Center called “[Dylan Mulvaney’s Day 365 Live!](#)”

Her Bud Light promotional post was less than a minute long and was mostly about a \$15,000 giveaway that the company sponsored during March Madness. She mentions that the company sent her a tallboy can with her face on it to celebrate the 365-day milestone.

Calls for a boycott followed. Some of the most prominent voices backing it have attacked the transgender community in the past, [including the musician Kid Rock](#), who [posted a video](#) of himself shooting a stack of Bud Light cases in April.

After Bud Light’s sales slumped, Anheuser-Busch, the beer’s brewer, announced in late April that [two of its executives were taking a leave of absence](#). The company also [said in early May](#) that it would focus its marketing campaigns on sports and music.

Bud Light loses top US beer spot after promotion with transgender influencer

Sales dropped by almost 25% on last year after brand featured Dylan Mulvaney in social media



Apple, in 2018, announced iCloud data of users in mainland China would move to a new data center in Guizhou province as part of a partnership with GCBD. The transition was necessitated to abide by a [2017 regulation](#) that required all "personal information and important data" collected on Chinese users "be stored in the territory."

Learn more about iCloud in China mainland

Learn about the changes to iCloud services in China mainland.

iCloud in China mainland is operated by GCBD (AIPO Cloud (Guizhou) Technology Co. Ltd). This allows us to continue to improve iCloud services in China mainland and comply with Chinese regulations.

iCloud services and all the data you store with iCloud, including photos, videos, documents and backups, will be subject to the [terms and conditions of iCloud operated by GCBD](#).

If you are not a Chinese citizen residing in China mainland, you can [edit the country or region setting of your Apple ID](#) to reflect your current country or region and continue using iCloud under Apple's current terms and conditions.

Published Date: June 05, 2020

Apple has criticised powers in the Online Safety Bill that could be used to force encrypted messaging tools like iMessage, WhatsApp and Signal to scan messages for child abuse material.

Its intervention comes as 80 organisations and tech experts have written to Technology Minister Chloe Smith urging a rethink on the powers.

Apple told the BBC the bill should be amended to protect encryption.

The government says companies must prevent child abuse on their platforms.

End-to-end encryption (E2EE) stops anyone but the sender and recipient reading the message.

Police, the government and some high-profile child protection charities maintain the tech - used in apps such as WhatsApp and Apple's iMessage - prevents law enforcement and the firms themselves from identifying the sharing of child sexual abuse material.

But in a statement Apple said: "End-to-end encryption is a critical capability that protects the privacy of journalists, human rights activists, and diplomats.

"It also helps everyday citizens defend themselves from surveillance, identity theft, fraud, and data breaches. The Online Safety Bill poses a serious threat to this protection, and could put UK citizens at greater risk.

"Apple urges the government to amend the bill to protect strong end-to-end encryption for the benefit of all."

General Data Protection Regulation



The General Data Protection Regulation is a Regulation in EU law on data protection and privacy in the EU and the European Economic Area. The GDPR is an important component of EU privacy law and of human rights law, in particular Article 8 of the Charter of Fundamental Rights of the European Union.

[Wikipedia](#)

Originally published: 27 April 2016

Journal reference: L119, 4 May 2016, p. 1–88

Made by: [European Parliament](#) and [Council of the European Union](#)

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U.S. tech giant Meta has been hit with a record €1.2 billion fine for not complying with the EU's privacy rulebook.

The Irish Data Protection Commission announced on Monday that Meta violated the General Data Protection Regulation (GDPR) when it shuttled troves of personal data of European Facebook users to the United States without sufficiently protecting them from Washington's data surveillance practices.

It's the largest fine imposed under the bloc's flagship General Data Protection Regulation (GDPR) privacy law and it comes on the eve of the fifth anniversary of the law's enforcement on May 25.

Amazon was previously fined €746 million by Luxembourg and the Irish regulator also imposed four finest against Meta's platforms Facebook, Instagram and WhatsApp ranging between €405 million and €225 million in the past two years.

- ▶ Environmental, social, and governance (ESG) investing is used to screen investments based on corporate policies and to encourage companies to act responsibly.
- ▶ Many mutual funds, brokerage firms, and robo-advisors now offer investment products that employ ESG principles.
- ▶ ESG investing can also help portfolios avoid holding companies engaged in risky or unethical practices.
- ▶ The rapid growth of ESG investment funds in recent years has led to claims that companies have been insincere or misleading in touting their ESG accomplishments.

ESG Criteria

Investment firms following ESG investing often set their own priorities. For example, Boston-based Trillium Asset Management, with \$5.6 billion under management as of December 2021, uses a variety of ESG factors to help identify companies positioned for strong long-term performance. ^[7]

The criteria are set by analysts who identify the relevant issues facing specific sectors, industries, and companies. Trillium's ESG criteria preclude investments in the following:

- Companies that operate in higher-risk areas or have exposure to coal or hard rock mining, nuclear or coal power, private prisons, agricultural biotechnology, tobacco, tar sands, or weapons and firearms.
- Companies involved in major or recent controversies over human rights, animal welfare, environmental concerns, governance issues, or product safety.

- 1) Which of the following is NOT true about cultural diversity?
- A) Companies may gain competitive advantages by bringing together people of diverse backgrounds.
 - B) Cultural diversity is most successful when domestic and foreign firms establish joint ventures.
 - C) Cultural diversity may help a company gain deeper knowledge about products and services.
 - D) The process of bringing people of different national cultures together is often difficult.
- 2) Which of the following is the MOST accurate statement about culture?
- A) Cultural variables can easily be isolated from other factors such as economic and political conditions.
 - B) Although most cultural variables are universal, the forms these variables take differ from culture to culture.
 - C) Most cultural variables are superficial and can easily be influenced by environmental factors.
 - D) Within a culture, everyone responds to particular cultural variables the same way.

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Answer: B

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Answer: B

3) Which of the following ideas holds that a government should NOT interfere in business affairs?

- A) collectivism
- B) laissez-faire
- C) the rule of man
- D) pluralism

4) Businesspeople seeking to understand more about another culture in order to successfully conduct business within that culture would be best advised to do which of the following?

- A) Observe the behavior of people who have gained respect within that cultural environment.
- B) Rely on stereotypes, which are based on averages, to gain an understanding of the culture.
- C) Avoid cultural research studies because they perpetuate unjustified stereotypes and behaviors.
- D) Memorize the cultural variations that are typically encountered in a specific cultural environment.

5) Certain attitudes can link groups, such as managers, from different nations more closely than managers within a given nation. As a result, international businesspeople should most likely

- _____.
- A) assume that there are few significant cultural differences among nations
 - B) examine relevant groups when comparing nations
 - C) adopt universal operating methods
 - D) avoid cultural imperialism

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- 1) Emerging economies exhibit improving productivity, rising income, and growing prosperity, particularly relative to slower growing developing economies.
- 2) Market liberalization restricts foreign investments and growing exports, deregulation and privatization improve business efficiency, and expanding opportunities encourage entrepreneurialism.
- 3) There is a positive correlation between economic freedom and economic growth.
- 4) In a mixed economy, the state reasons that it must make tactical decisions about strategic industries in order to optimize market performance.
- 5) The calculation of GNI per capita takes into account the differences in the cost of living from one country to another.

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Answer: FALSE

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Answer: TRUE

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Answer: TRUE

5) The calculation of GNI per capita takes into account the differences in the cost of living from one country to another.

Answer: FALSE

- 1. There are five levels of economic integration. What is meant by this statement? Be complete in your answer.**

The statement means that there are five degrees of economic integration. These include: (a) free trade areas, which are economic integration arrangements in which all barriers to trade among member countries are removed; (b) customs unions, which are forms of economic integration in which tariffs between member countries are eliminated and a common trade policy toward non-member countries is established; (c) common markets, which are characterized by an absence of trade barriers among member nations, a common external trade policy and mobility of factors of production among member countries; (d) economic unions, which are characterized by the free movement of goods, services, and factors of production between member countries and full integration of economic policies, a unified currency and tax rates and structures that are uniform for all members; and (e) political unions, in which all economic policies are unified and there is a single government, as occurs among the states in the United States.

- 2. How can a health and safety regulation become a trade barrier? Provide examples.**

A health and safety regulation might require expensive investments. A country that already has such an investment in place could make it a requirement that all companies selling their products in that country follow the same regulations. For example, a developed country that already has a host of health and safety regulations might impose the same regulations on a company in the developing world that is exporting products into that country. To do this effectively, the foreign firm might have to restructure—and this would take time and investment.

3. How can different environmental circumstances make one country's regulations inefficient in another country?

The answer to this question can be seen in the two examples provided in the case. While it might be efficient for beer producers in Ontario to use recyclable bottles, imports from the United States face different circumstances. Transporting beer bottles back and forth from the United States to Canada would be extremely expensive and as damaging to the environment as using aluminium cans.

Similarly, while recycled pulp might be a solution to environmental problems in Canada, to transport recycled paper back to the United States would be extremely costly.

4. In what way do ethnocentrism and misconceptions about other cultures inhibit those doing business internationally?

Ethnocentrism is the belief that one's own way of doing things is superior to that of others. This inhibits doing business internationally because it prevents the manager from being flexible and open minded when dealing with people from other cultures. The manager is convinced that the way things are done in the home country is better.

5. Why are cultural differences an important factor when adapting products for new overseas markets?

Cultural differences are important because they define the preferences of individuals. The more obvious example is language. For example, computer software sold in Latin America must give instructions in Spanish or Portuguese, not in English. A more subtle difference would include a preference for quieter air conditioners in Japan, where silence and calm are highly praised. In terms of marketing, the labels and instructions should be in the language of the targeted market. More importantly, advertisements should give due consideration to the values and morals of the targeted market

6. **Why is an understanding of the institutional norms, regulations and practices of other countries important for international firms? Give examples to illustrate your answer.**

Firms must adhere to the laws of the nations in which they work. For example, firms must follow labor laws and regulations, which are a reflection of the culture of each nation. It is also important to know the subtle ways in which things are done. For example, a US manager who clearly delineates his requirements to an official in another country might find that the official perceives his behavior as blunt and demanding.

7. **Why are work attitudes of importance to MNEs? Cite and describe two examples.**

Work attitudes are important to MNEs because they influence both the quality and the quantity of employee output. People who have a positive attitude toward work are likely to do more and better work than those who have negative attitudes. The MNEs would like to know about these attitudes, so they are better able to anticipate the type and quality of work they are likely to get from employees in various cultures. For example, in Japan, there is a positive attitude toward work and everyone believes they should attend every day. This is good news for MNE employers. In some South American countries, however, tardiness is acceptable. This is not good news for local MNE employers, unless they can change this work attitude.

8. What are the benefits of and the problems for a polycentric MNE?

Polycentric firms tend to act like a federation of semiautonomous organizations with financial controls or strict reporting structures holding them together. Subsidiaries are able to reflect the local cultural norms, and headquarters appreciates the need for different organization designs, procedural norms, rewards systems, and so on, as long as profits flow to the center. While this might altogether eliminate cultural clashes, it also eliminates internal communication that might lead to efficiencies and to learning from each other. A key problem is that the firm is not able to reap the economies of scale that come from standardizing organizational routines, processes, systems and human resources procedures. That is, it is more costly and more complex to operate multiple procedural systems, each led by subsidiary managers.

9. What are the advantages and disadvantages of using a nation as a point of reference for a culture?

Answer: The nation, as opposed to the State, provides a workable definition of a culture for international business because basic similarity among people is both a cause and an effect of national boundaries. The laws governing business operations also apply primarily along national lines. Within the bounds of a nation are people who largely share essential attributes, such as values, language, and race. However, these shared attributes do not mean that everyone in a country is alike, nor do they suggest that each country is unique in all respects.