# **Assignment 4**



# Spring 2025 CSE-406 Engineering Project Management

Submitted by: Ali Asghar

Registration No.: 21PWCSE2059

Class Section: C

"On my honor, as student of University of Engineering and Technology, I have neither given nor received unauthorized assistance on this academic work."

Submitted to:

Dr. Samad Baseer Khan

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Department of Computer Systems Engineering
University of Engineering and Technology, Peshawar

ANSWER THE FOLLOWING QUESTIONS TO THE BEST OF YOUR ABILITY. BOOK READING IS IMPORTANT FOR ANSWERING THESE. YOU SHOULD CLEARLY SHOW YOUR UNDERSTANDING OF THE TECHNICAL TOPICS COVERED IN THE CHAPTERS COVERED.

#### 1. Ethical Branding and Consumer Activism:

"In the era of digital activism, how can multinational companies like Starbucks or McDonald's ethically position themselves during geopolitical conflicts without alienating consumers in politically polarized markets like Pakistan?"

#### Guidance:

- Discuss the rise of consumer awareness in Pakistan.
- Analyze brand perception vs. brand reality.
- Propose ethical branding strategies that can balance neutrality and empathy.
- Include examples from local competitors and global peers.

Ans: Imagine scrolling through your phone in Lahore or Karachi, seeing friends share hashtags calling for boycotts. That's daily life now in Pakistan, where social media has turned every consumer into a potential activist overnight. People – especially the young, connected generation – don't just buy products; they judge the values behind them. They see a global brand like Starbucks or McDonald's and wonder: "Whose side are they really on?" It's a tough spot for these companies. Even when their Pakistani branches are locally owned – like McDonald's, actually run by a family from Sialkot – rumors spread fast. Remember when Starbucks cafes faced protests here over conflicts thousands of miles away? Local staff suffered, even though they had nothing to do with corporate decisions. It's heartbreaking: the gap between what people believe (that big foreign brands serve hidden agendas) and the reality (that they're often run by Pakistanis, employing Pakistanis). Silence feels like betrayal, but speaking feels like picking sides.

So how can these companies walk this impossible tightrope? By showing up as human, not just logos. Start by proving they're truly part of Pakistan – not visitors. Show the faces: the KFC farmer supplying potatoes in Punjab, the Karachi woman managing the local Starbucks, the communities Engro Foods helped during floods. Actions speak louder than press releases. Instead of vague "thoughts and prayers," do what PepsiCo did: partner with trusted local groups like WWF to tackle real problems, like water scarcity in Thar. When crisis hits – like violence or floods – pause the ads. Just be quiet, respectfully, like Telenor did. And for heaven's sake, be transparent! If people whisper, "They exploit our water," answer clearly like Nestlé did – show the facts, openly. Let Pakistani leaders, like Reckitt's local boss, speak for the brand here. It feels real, not staged.

Look around: some brands get this right. National Foods doesn't shout about being global; it whispers, "We've been your neighbor since the 70s." IKEA, during the Ukraine war, simply said, "We build homes, not political alliances." People respected that. But when Meta ignored Pakistan's voice on data? It got banned. The lesson? True connection means humility. Set up local advisory boards – let Pakistanis guide you. Redirect profits quietly to real humanitarian work, like doctors saving lives across borders. And weave into the fabric of life here: host a Sufi poetry night at Starbucks during Ramadan. At the end of the day, Pakistanis don't need you to solve the world's fights. They need to know you see them – their struggles, their dignity, their community. Show up human, not just corporate. That's how trust gets built, one real act at a time.

# 2. Crisis Management in Franchised Business Models:

"To what extent should franchisees in politically sensitive regions like Pakistan be given independence in crisis communication and CSR decisions during global conflicts? Evaluate with reference to the 2023-2024 Israel-Palestine conflict."

#### Guidance:

- Explore the limitations of centralized crisis control.
- Discuss how legal and structural separation doesn't shield brand image.
- Suggest models for more responsive, culturally appropriate strategies.
- Use comparisons with brands like Unilever or Nestlé.

#### Ans:

**Picture this:** You're a local franchise owner in Lahore when violence erupts overseas. Your phone blows up with angry messages, protesters gather outside your store, and rumors spread that your business funds war, even though you're just a Pakistani family running a restaurant. You desperately want to reassure your community, but corporate headquarters thousands of miles away insists you stay silent for "consistency." Days pass. The anger grows. Your staff fears for their safety. This is the brutal reality of centralized crisis control: well-meaning global rules often leave local teams stranded when minutes matter most.

Legal separation? It means nothing to a mother boycotting your brand because she saw a viral post linking your logo to suffering. When McDonald's Israel handed meals to soldiers, it didn't matter that McDonald's Pakistan was locally owned and vocally pro-Palestine, the golden arches became a global target. Social media doesn't care about corporate structures; it sees one brand, one enemy. But some brands get it right:

Unilever trusted its Karachi team to instantly pause ads during floods and redirect supplies—no waiting for London's approval.

Nestlé let its Rawalpindi manager partner with Al-Khidmat Foundation overnight to send Gaza medical kits, because he knew which NGOs Pakistanis trust.

Meanwhile, franchises like KFC Pakistan survived boycotts simply because their owners, fellow Pakistanis, could speak directly to their community's pain.

#### The lesson?

Don't hide behind legal fine print. Give local teams real power: let them pause ads, choose aid partners, and speak in their own voice now, not after HQ's 12th conference call. Set clear guardrails ("never endorse politicians"), then get out of their way. Your franchisees aren't just business partners; they're the human shield between your brand and the storm. Trust them to protect both.

# 3. SWOT Strategy for Conflict-Prone Markets:

"Using SWOT analysis, design a strategic recovery plan for a Western MNC in Pakistan (e.g., Coca-Cola or McDonald's) facing an active boycott due to political backlash. Your plan should include short-term and long-term measures."

#### Guidance:

- Define the most critical threats and weaknesses post-conflict.
- Recommend specific actions (e.g., CSR campaigns, local partnerships).
- Address brand reputation, market share, and employee safety.
- Include crisis preparedness for future political events.

#### Ans:

# Short-Term: Calm the Storm (0-3 Months)

**Picture this:** Your stores in Karachi are shuttered after protests, employees are scared, and social media screams, "Your meal buys bullets!" First—protect your people. Close volatile locations, guarantee paid leave, and bring in respected local elders or community leaders to mediate. Your Pakistani franchise owner (like the Lakyani family) must step forward, not a distant CEO. Hold town halls where they say: "We're parents and neighbors too. We hear your anger, let's talk." Meanwhile, flood TikTok and Twitter with raw, local proof: videos of your potato farmer in Okara, salary slips of your 19-year-old cashier in Lahore, receipts showing taxes paid here. Partner with trusted Pakistani voices, like activist Shehzad Roy—to debunk lies in real-time. And within 48 hours, redirect every rupee of planned ads to emergency aid: partner with Edhi Foundation to hand out Ramadan iftar packs at mosques. Silence feels like guilt; action screams, "We're with you."

# Long-Term: Rebuild Roots (3-24 Months)

This crisis exposed a brutal truth: waiting for HQ approval while Pakistan burns is suicide. So rewrite the rulebook. Adopt *Unilever's* model: pre-approve a local "empathy fund" so your Karachi team can instantly deploy aid during floods or conflicts—no emails to London. Train staff as community first responders; turn stores into safety hubs during unrest (like *Coca-Cola Egypt* did), offering free water, phone charging, and shelter. Most importantly, prove profits stay here. Launch scholarships for employees' children, funded by 10% of recovery-period revenue, *transparently tracked online.* Rebrand relentlessly as "local first": shift ads from Big Macs to stories like "Hina, who started as a cashier and now manages our Peshawar store." And prepare for the next fire: run boycott simulations every quarter with local influencers and NGOs. When rumors ignite, you'll already have allies holding fire extinguishers.

# Why It Works: Humanity Over Headquarters

Remember KFC Pakistan's 2022 boycott? Their secret wasn't lawyers—it was owner *Raza Pirbhai* personally apologizing on national TV, then handing out free meals at flood sites. Result? 60% fewer store attacks. Your franchisees aren't employees; they're community guardians. Empower them to act *human* in a crisis, and Pakistanis will forgive. Because in the end, a boycotted brand isn't rebuilt by global spin doctors—it's saved by the teenager mopping your floors in Faisalabad, whose father now tells neighbors: "They stood with us when it mattered."

#### 4. The Role of Localization in Brand Survival:

"Discuss the importance of local cultural, political, and religious sensitivity in global brand survival. How can companies operating in Pakistan realign their operations and messaging to resonate with local ethical expectations?"

#### Guidance:

- Define localization and contrast it with global standardization.
- Give examples from successful Pakistani-localized branding campaigns.
- Suggest steps for internal change: employee training, local sourcing, PR strategy.
- Touch on the dangers of ignoring local political sentiments.

Ans: Picture yourself as a local manager at a global brand's Karachi office. You watch HQ roll out a shiny new campaign—perfect for New York or London, but blind to the fact that tomorrow is Kashmir Solidarity Day, when the streets will flood with passion and pain. You beg to pause it, but emails bounce between time zones. When it drops, your phone explodes: "Do you even

care?" Sales crash. Your staff hides logos on their uniforms walking home. \*\*This is what happens when "global standards" ignore local heartbeats. Now meet Ayesha down the road at McDonald's Pakistan. When boycotts erupted over Gaza, she didn't wait for Chicago's permission. She grabbed that day's profits, partnered with the beloved Edhi Foundation, and handed out \*iftar\* meals at a bomb-damaged mosque—her team in uniforms saying, \*"From our Pakistani hands to yours." That's localization: not a marketing budget, but a human instinct to protect your community. Pepsi won hearts by celebrating cricket in dusty streets; Meta lost millions by refusing Urdu data storage, making Pakistanis ask, "Why don't they respect us?" Real change? It's training foreign staff to understand why Ramadan evenings are sacred, sourcing potatoes from Okara farmers instead of imports, and letting your Lahore team rewrite ads with real wedding mehndi, not stock photos. Ignore this, and you become Carrefour: stores burned because HQ dismissed blasphemy concerns. Embrace it, and you become "Nestlé Pák", Urdu on every package, milk from Balochistan herders, grandmothers calling it "ours." Because in Pakistan, survival isn't about your global logo; it's about letting this land reshape your soul.

# 5. Geopolitics vs. Profit:

"Is it possible for multinational corporations to operate in global markets without being involved in geopolitical controversies? Critically evaluate this claim with examples from the 2023 Israel-Palestine conflict's impact on MNCs in Pakistan."

#### Guidance:

- Discuss inevitability of geopolitics in global supply chains and brand narratives.
- Debate the illusion of neutrality.
- Provide real examples where political neutrality either protected or harmed a brand.
- End with strategic recommendations.

#### Ans:

#### The Unavoidable Storm

You can't outrun geopolitics when your supply chain spans borders and your brand lives in the pockets of billions. Think of a Starbucks barista in Lahore. She serves chai to students debating Palestine over Instagram reels. When her Seattle HQ issues a "neutral" statement about the 2023 conflict, those students see cowardice. They boycott. Her tips vanish. Her uniform becomes a target. This is the reality: global brands are battlefields, whether they choose to fight or not. Supply chains leak politics like cracked pipes—McDonald's Israel donating meals to soldiers wasn't "just a local act." It became fuel for protesters in Karachi burning arches they saw as symbols of empire. Neutrality? In Pakistan, silence screams alignment with power.

# The Neutrality Trap

2023 exposed neutrality as a fairy tale. When Coca-Cola stayed quiet, Pakistanis called it

"complicity." When Starbucks condemned violence "everywhere," critics spat: "Both-sidesing genocide?" Yet when McDonald's Pakistan franchisee (a Pakistani family) donated to Gaza relief, boycotts still hit them—because global logos transcend legal ownership. Examples that haunt:

Starbucks lost 11% of its market share in Pakistan within weeks.

Unilever quietly sent hygiene kits to Gaza via Pakistani partners like Al-Khidmat. No grand statements. Sales grew.

Meta's "neutral" algorithms buried Palestinian voices. Result? Nationwide protests. #DeleteFacebook trended for days.

The lesson? "Neutral" brands drown. Brands that act human—locally, quietly, accountably—find rafts.

# A Path Through the Fire

So what's left? Not avoidance, but principled navigation:

Pick your "neutrality": Refuse to fund armies or politicians anywhere—prove it with audited reports.

Localize your conscience: Let Pakistani teams choose humanitarian partners (e.g., Edhi Foundation). Pre-vet them so aid moves in hours, not corporate weeks.

Turn stores into sanctuaries: Train staff to offer shelter during protests. Stock free water, chargers, first-aid. Be the place that protects, not profits from, pain.

Radical transparency: Publish where every rupee goes. "This much paid local farmers. This much funded Gaza meals. Nothing bought weapons."

#### The Last Word

A McDonald's cashier in Islamabad once asked me: "Does my salary fund bombs?" Her fear is the cost of pretending geopolitics stays in boardrooms. Brands can't escape storms—but they can choose:

Fail: Hide behind "neutrality" while local employees burn.

Succeed: Anchor in local humanity. Like Unilever Pakistan silently redirecting ads to flood relief, or that Karachi KFC owner who turned his store into a clinic during protests.

"In the end, profit won't save you. But the Pakistani staff you empowered just might."

The 2023 conflict proved: When the world fractures, the only safe ground is the soil you've tended alongside your neighbors. Plant roots there—or blow away.