

Uniqlo to Open First India Store

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Category : Business

Unlocking Word Meanings

Read the following words/expressions found in today’s article.

- 1. **relax** / **riˈlæks** / (v) – to make a law or rule less strict
Example: Employees may now wear casual clothes after the company **relaxed** its dress code.
- 2. **consent** / **kənˈsent** / (n) – permission or approval to do something
Example: You will need the local government’s **consent** before you can open a store in the city.
- 3. **head-to-head** / **ˈhed-təˈhed** / (idiom) – directly competing or opposing each other
Example: The new restaurant in town will compete **head-to-head** against an established restaurant.
- 4. **robustly** / **rouˈbʌst li** / (adv) – strongly and forcefully
Example: We need to promote our product **robustly** to win more customers.
- 5. **segment** / **ˈsegment** / (n) – a part or division of something
Example: Many business rely on the young professional market **segment**.

Article

Read the text below.

Japanese clothing company Uniqlo is finally entering the Indian market in 2019.

The clothing brand will open its first South Asian store in New Delhi after the Indian government **relaxed** the country’s policies on foreign businesses. Previously, international companies needed permission from the Indian government to own more than 49% of any business operating in the country. Therefore, foreign businesses usually resorted to partnering with local companies instead of building their own stores.

Under the new policy, international companies can now operate their businesses independently without the government’s **consent**. However, foreign businesses are required to utilize India’s local materials in about 30% of their goods.

Upon entering India, Uniqlo will go **head-to-head** with other international clothing companies such as H&M and Forever21, which are all operating in India. Moreover, Uniqlo must **robustly** promote its brand because some locals are still unfamiliar with it.

The Japanese company will also have to adapt its products to the Indian market. A business consultant from India said that the company should concentrate on women’s clothing because it is the **segment** with the fastest growth.

Along with Uniqlo, other foreign companies are also taking advantage of the policy changes in India. The Swedish furniture company IKEA [ee-**KAY**-uh] has also opened a store in the country last spring. Prior to the store’s opening, the company gave its new customers a preview of its products by launching the IKEA Hej Home. The Hej Home, which operated for six months last year, let potential customers test IKEA furniture.

Viewpoint Discussion

Enjoy a discussion with your tutor.

Discussion A

- Do you agree with the Indian government’s decision to allow foreign businesses to operate independently in the country? Why or why not?

- What conditions should a government set before allowing foreign companies to operate in a country?

Discussion B

- If you were a business owner, what preparations would you make before catering to a different culture? Discuss.

- In your opinion, what should foreign companies do to successfully cater to the people in your country (e.g. how they should promote products, what kind of products they should sell, etc.)?

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