**External factors and Cultural Differences**

**Introduction**

This journal article looks at the international business environments of the United Arab Emirates (UAE) and England. The first segment examines external issues such as economic, political, legal, technical, and socio-cultural influences and how these affect a certain business's capacity to trade worldwide. It also covers the importance of international business support systems and closes with a recommendation on which country is best for business development. The second segment investigates cultural aspects such as language, ethnicity, social structures, religion, values, work attitudes, and readiness to change, and evaluates their influence on international company operations. Together, these evaluations offer strategic insights for organisations looking to develop in the UAE or England.

**Section 1**

**England:**

England is a vibrant and important environment for international business. As a worldwide financial hub, England provides a secure economic, political, and legal environment that encourages international investment and commerce. Its excellent technical infrastructure and diversified socio-cultural setting add to its attraction. English being the major language improves commercial communication, while the country's ethnic variety and progressive social values allow for customised marketing. Traditional traditions coexist with current mindsets, which prioritise innovation, excellence, and professionalism. England's willingness to develop and adapt to global trends make it an appealing location for worldwide corporate expansion.



**UAE:**

the United Arab Emirates (UAE) is presented as a vibrant and strategic environment for international business. The UAE's robust economy, supported by favourable political and legal frameworks, provides a stable foundation for foreign investment and trade. The country’s rapid technological advancements and state-of-the-art infrastructure further facilitate business operations. The UAE’s socio-cultural environment, marked by a diverse expatriate population and progressive policies, fosters a welcoming atmosphere for international enterprises. Arabic, along with widespread English proficiency, eases communication in business settings. The UAE's cultural values emphasize hospitality, innovation, and economic diversification. Its forward-looking attitude and openness to global business practices make the UAE an attractive and dynamic destination for international business expansion.

**Introduction of selected business:**

Apple was established in 1976 as Apple Computing Company then the year after was changed to Apple Computer Inc. and was started in Steve Job’s parents’ garage where he created the Macintosh and is now one of the biggest technology companies by revenue in June 2022. Apple is categorised under the information technologies sector and Apple Inc’s scope of the business is international as the company operates all around the world in every country. The company’s type of ownership is a publicly traded company which means that no individual or entity owns the company. They started trading according to apple themselves on December 12th, 1980, at 22 dollars a share. Apple is a technology company who started off by selling a computer called the Apple One which started in Steve Jobs basement and now sell all different types of technology products such as laptops, phones, tablets etc. Apple’s HQ is in California, and they operate in nearly every region and every country in that region.

**External factors**

**England PESTLE analysis**

**Political:**

England, a member of the United Kingdom, is renowned for having a stable political climate, yet recent developments like Brexit have put this stability in jeopardy. Brexit still has a lot of political ramifications; trade laws, immigration regulations, and regulatory standards will all change. Strong international ties are upheld by the nation, however they are put to the test, particularly with the US and the EU. The regulatory landscape is changing as well, with new rules and legislation impacting a number of industries, including technology, healthcare, and finance.

**Economic:**

Despite having a sizable and diverse economy, England's development has been slow due to the uncertainty surrounding Brexit and the state of the global economy. Despite the very low employment rate, worries exist over the quality of jobs and the growth of the gig economy. Domestic and international supply chain problems have raised concerns about inflation, which the Bank of England's interest rate policies have been crucial in controlling. The dynamics of trade and investment with the European Union and other international partners are greatly impacted by the ongoing development of trade agreements and regulations following Brexit.

**Social:**

The ageing of England's population has an influence on healthcare and pension systems, making demographic shifts a key socioeconomic concern. The nation is distinguished by a great deal of ethnic and cultural variety as well. Although the educational system is highly valued, skill development is becoming more and more necessary, especially in the engineering and technology industries. There are several obstacles facing public health systems, particularly the National Health Service (NHS), including a lack of funds, a staffing deficit, and rising demand. With noticeable differences in wealth, education, and regional development, social inequality is still a problem.

**Technological:**

England is a centre for innovation, with robust government backing for R&D, especially in the fields of finance, technology, and healthcare. Although a lot of money has been invested in digital infrastructure, high-speed internet connection is still difficult in rural regions. As new hazards are introduced by technology improvements, cybersecurity is becoming more and more of a priority for both the public and commercial sectors. Across a range of sectors, the quick uptake of new technologies like fintech, big data, and artificial intelligence is promoting efficiency and growth.

**Legal:**

With strong government support for research and development, particularly in the areas of finance, technology, and healthcare, England is a hub for innovation. Even with significant financial investments in digital infrastructure, rural areas still struggle to get high-speed internet connections. Technology advancements are introducing new risks, therefore cybersecurity is becoming more and more important for the public and private sectors. The rapid use of new technologies such as big data, fintech, and artificial intelligence is driving development and efficiency in several industries.

**Environmental:**

England has set lofty goals for sustainability and renewable energy in addition to its commitment to lowering carbon emissions. There are constant efforts to enhance air quality and decrease plastic waste, making pollution control and trash management crucial challenges. In the context of agricultural activities, in particular, the sustainable management of natural resources, such as water and land, is vital. It is vital to preserve biodiversity and natural environments, and many programmes are being implemented to promote sustainable development and conservation.

**UAE PESTLE analysis**

**Political:**

The political climate of the United Arab Emirates (UAE) is stable. It is a federal absolute monarchy made up of seven emirates, each with its own monarch. The President and Prime Minister have substantial power within the robust central government. The UAE is a major player in regional affairs and has established strong international ties, especially with Western nations. However, there are still difficulties because of the geopolitical unrest in the Middle East, especially with Yemen and Iran. In an effort to improve its standing in the international economy and draw in foreign investment, the UAE has also actively modified its regulatory structure.

**Economical:**

The economy of the United Arab Emirates is diverse, although it still depends mostly on income from oil and gas. The expansion of industries including travel and tourism, aviation, real estate, and finance services is indicative of diversification efforts. Although the economy of the nation has grown significantly, it still faces difficulties like volatile oil prices and uncertain global economic conditions. Due to its advantageous tax system, which includes no income tax, the UAE is a popular destination for foreign investors. Economic development is also aided by significant investments in technology and infrastructure, however concerns about labour rights and income inequality persist.

**Social**:

The population of the United Arab Emirates is quite diversified, and a sizable section of the workforce is made up of foreigners. Although this diversity is a strength, it also presents difficulties for cultural cohesiveness and social integration. With large investments in educational facilities and programmes to advance skill development, the UAE places a high priority on education. Modern public health services prioritise delivering top-notch medical care. Nonetheless, there are continuous initiatives to enhance social welfare and working conditions, and the nation faces challenges with regard to labour rights, particularly for low-income migrant workers.

**Technological:**

With significant investments in infrastructure and smart city projects, the United Arab Emirates is leading the Middle East in technical innovation. Particularly Dubai wants to establish itself as a worldwide centre for technology, leading the way in fintech, blockchain, and artificial intelligence. Research and development are funded by the government through a number of programmes and alliances with global IT firms. Given the growing digitization of services and the possible risks that come with it, cybersecurity is crucial. In industries like banking, healthcare, and transportation, new technology are being adopted quickly, which promotes efficiency and expansion.

**Legal:**

The legal system of the United Arab Emirates is intricate, encompassing elements of international law, Sharia law, and civil law. It is still aligning its legal framework post-Brexit to draw in foreign investors, especially in the free zones that provide advantageous business circumstances. Recent changes to the labour code have improved working conditions and worker rights, particularly for foreign workers. Strict intellectual property rules safeguard companies and encourage innovation. With new legislation addressing these rising difficulties, the legal landscape is likewise adjusting to new cybersecurity and data protection challenges.

**Environmental:**

Significant environmental problems that the UAE faces include waste management, excessive energy usage, and water scarcity. The government has set high goals to cut carbon emissions and increase the use of renewable energy sources, such solar power, as part of its commitment to sustainable development. There are programmes in place to better manage garbage and the quality of the air, but the speed at which urbanisation and industrialization are occurring presents constant difficulties. The larger environmental policy includes efforts to preserve biodiversity and natural ecosystems, but striking a balance between environmental sustainability and economic growth is also crucial.

P5 not met.

Need to link each factor to your chosen businesses.

**Situational Analysis**

**United Arab Emerates [UAE]:**

Strengths:

Legal Framework: Strong protection of business by law.

Financial Hub: London is the leading financial center globally.

Skilled Workforce: Rich talent pool in finance and technology- R&D.

Global Trade Network: The historical ties with various regions.

Innovative Leader: Strong on research, particularly AI and biotech

Weaknesses:  
Oil Dependency: Still dependent on oil revenues.  
High Costs: Very high living and business proceeding costs.  
Small Market: Small number of end-consumers locally.  
Environmental Constraints: Harsh climate dampens sustainability.

Opportunities:  
Non-Oil Growth: Increasing technology, healthcare, and renewable energies.  
Expo 2020 Legacy: Increased international visibility and infrastructure.  
New Trade Deals: Increasing trade partners with UAE-India CEPA.  
Smart Cities & Innovation: AI projects, fintech, and sustainability projects.

Threats:  
Regional Instability: Implications of, or proximity to, political unrest.  
Declining Oil Demand: Long-term Energy Transition Risk  
Increasing Competition: Other Gulf States attract investors' attention more.  
Global Shocks: Vulnerable to Global Recessions

England United Kingdom

Strengths:  
Regulatory Framework: Extremely sound regulatory framework for protection of business.  
Global Financial Hub: London is amongst the world's financial hubs.  
Human Capital: Remarkable talent pool in finance and technology with R&D.  
Global Trade Network: Long history of trade with several regions globally.  
Innovation Leadership: Superb research output, presently in AI and biotechnology.

Weaknesses:  
post-Brexit uncertainty about changed trade and regulations; high cost of living and doing business in London; infrastructure problems, especially in transportation; sometimes slow regulatory processes.

Opportunities:  
post-Brexit deals to open up new global trade agreements with the U.S. and Asia; further growth in the fintech, AI, and cybersecurity industries; green energy GTK in sustainability, meeting net-zero targets; more tourism and education from around the world.

Threats:  
Brexit Trade Obstacles: Additional tariffs, EU customs challenges.  
Political/Economic Uncertainty: Possible downturns or instability.  
Global Competition: Competing financial centers around the world like New York and Singapore.  
Labour Shortages: The new immigration policy in post-Brexit England restricts workers.

Comparison:  
Strengths: UAE develops quickly on its location and infrastructure; and England on finance and law.  
Weaknesses: UAE oil reliance; England - Brexit hurdles.  
Opportunities: Tech and green energy development.  
Threats: UAE - ebbing oil supplies; England threatened due to Brexit.

**Business Support Systems**

International business support systems enable Apple to trade with the UAE and England internationally. These systems will enhance Apple's international supply chain by allowing it to easily manage the logistics, storage, and coordination of the products and its many suppliers across countries. This enhances the efficiency in the flow of products coming from manufacturing sites into the respective markets, and it efficiently serves the customers both in the UAE and England. Large tasks that financial systems at Apple undertake include currency conversion, adherence to various tax laws, cross-border deals, and so on. These systems allow the company to monitor various different tax structures-VAT in England, for instance-and the peculiar tax environment in the UAE. It also minimizes currency fluctuation risks. Such systems make financial operations seamless between headquarters and regional subsidiaries while ensuring full compliance with prevailing laws within the home country or elsewhere. Apple also benefits from systems that ensure regulatory compliance, handling the variance in customs procedures and safety standards of different countries. This ensures that the firm follows local regulations, guaranteeing that their products will easily enter the respective markets. In both the UAE and England, it would be easy for Apple to adapt to particular legal requirements: legally clearing their products ensures the protection of customer data. Finally, customer support systems allow Apple to provide localized assistance in native languages, while global e-commerce platforms are customized to the preferences of each region. It means these systems will ensure that, from marketing and sales, the service provided by Apple will be smooth and effective across international markets that are diverse. Overall, these integrated systems achieve a balance for Apple, whereby it can operate globally yet adapt and meet local needs and regulations.

**Conclusion**

The UAE is a most convenient location for expansion for Apple with its secure government, welcoming laws for companies, and state-of-the-art technology. With its geographical location, it is accessible for Apple to penetrate Asian and European markets. With its tax-free zone, it is lucrative for Apple, compared with England’s high taxes and post-Brexit uncertainty. With its welcoming policies, it is accessible for multinational companies to thrive, providing long-term dividends.  
  
The UAE has a trained workforce with a high level of both English and Arabic speakers and a flexible visa regime attracting talent worldwide, in contrast with a stricter one in England, possibly shutting out talented workers. Innovation, smart city, and artificial intelligence drive in the UAE, and its leadership in these sectors complements Apple’s technological drive, putting it in a position for a strong expansion base.  
  
In contrast, a strong financial hub with a healthy judicial system, England is, but uncertainty surrounding Brexit in terms of trading and increased legislation can hinder operations for Apple. High corporation taxes and tariffs with the European Union stand in its way, an issue not seen in the UAE.  
  
The UAE also possesses a strong infrastructure and a growing digital economy, and thus a conducive environment for Apple’s operational model. It embraces a digital transformation through its policies, with room for free integration of its goods and services. As compared to England, whose economy and politics present uncertainty, the UAE possesses a predictable and secure environment for operations.  
  
Overall, the UAE presents a greater opportunity for long-term success for Apple in terms of financial incentives, a technology-fuelled emerging economy, and a supportive environment for regulators. Expansion in the UAE will allow Apple to exploit market potential, have efficient operations, and become competitive at a global level.

**Section 2**

**Cultural Factors:**

Cultural differences impact operations in a business, including marketing, communications, and overall business planning. In this section, we will explore how McDonald's and Apple manage cultural differences in both England and in the UAE.  
  
Language plays an important part in operations in a business. In England, English is predominantly spoken, and therefore, both McDonald's and Apple can effectively converse with customers in a language with which they are most comfortable. In the UAE, the language is Arabic, but in business, everyone understands and communicates in English. Apple incorporates Arabic in its gadgets, and McDonald's even prints its menu and advertisement in Arabic to win over native buyers.  
  
Social structures and work cultures vary geographically. Individualism and work adaptability dominate in England, but in the UAE, a hierarchical, organized style of work dominates. Apple, with its free and spontaneous work environment, will have to adapt its leadership in the UAE. McDonald's, with its uniform operations, can adapt to UAE business customs with ease and yet have uniformity worldwide.  
  
Religion and values have a significant bearing on business operations. Business practice in the UAE is guided by Islamic customs, with an impact on working days, holidays, and purchasing behavior. Apple accommodates such customs through flexible store opening times during Ramadan and adhering to cultural requirements. McDonald's accommodates religious requirements through providing a menu of halal foods, not a necessity in England, where companies enjoy a high level of freedom in practice.  
  
Readiness to adapt between cultures, however, varies, and most welcoming to technological innovation is England, with new releases having no problem entering in its case. Rapid modernization in a country with strong traditional cultures such as in the UAE presents a challenge for companies to adapt, but one both McDonald's and Apple have met through its marketing and operations, respectively, in a form compatible with such requirements.  
  
By understanding and blending in with such cultural aspects, companies such as McDonald's and Apple can consolidate its worldwide presence and build positive relations with both regions' buyers.

**Conclusion**

Cultural differences shape how businesses expand globally. Companies like Apple and McDonald's must adapt their strategies to succeed in different markets.

Understanding and valuing cultural diversity helps companies gain over trust and acceptance of customers. Apple accommodates language demand in Arabic and harmonizes its marketing with national customs in the UAE. McDonald's provides food with a certificate of halal and region-altering menu customizes its menu, and it can resonate with native buyers.

However, cultural differences also bring challenges. Apple’s informal corporate culture may not align well with the UAE’s structured business environment. Strict religious customs may limit Apple’s marketing flexibility compared to England, where businesses operate with fewer restrictions. Companies must be mindful of these cultural differences to avoid misunderstandings or customer dissatisfaction.

McDonald's benefits in its systemic model of franchising, allowing it to respond with ease to cultural requirements. Nevertheless, balancing global uniformity with in-area accommodations creates operational complexity. Sustaining its global identity and having its offerings align with cultural aspirations in countries worldwide is a challenge for Apple, as well.

Technological adoption varies according to culture, too. England's marketplace is most welcoming to innovation, and therefore, Apple can launch new features with ease. In the UAE, with its cultural heritage contributing a larger part in shaping consumption behavior, Apple will have to tread a thin path between innovation and cultural sensitization. McDonald's takes a similar stance, with menu overhauls and ad campaigns being calibrated according to cultural aspirations and yet not compromising its brand identity

Despite these obstacles, companies that effectively implement cultural factors in their business operations have an edge over competition. Examples of such companies include McDonald's and Apple, both of whom illustrate how embracing cultural diversity can contribute to increased success worldwide with continued strong brand awareness.