Abstract

In the contemporary business industry, many companies are seeking to expand into the foreign markets. The companies incorporate different strategies as they enter and invest in different countries. Also, multinational companies scrutinize business trends before they resolve to establish in other markets. This report is an outline of the factors that propel companies to make efforts in international expansion. Further, the research incorporates the study of Pepsi Company in its local and foreign markets. Essential insights into the competitive and environmental analysis are also included in the research.
include the use of renewable sources of energy, waste to wealth programs, water conservancy, and eco-friendly means of packaging among others.

The last factor to consider is the legal environment. This pertains to the legal requirements that Pepsi Company is supposed to fulfill. Health and safety standards must be met so that the products that are offered are of high quality. This is also meant to avoid possible conflicts as a result of toxic products (Fitzsimmons et al., 2011). The company is also subject to federal laws pertaining to the acquisition of property, labour standards, and other environmental regulations in the host country.

Key Drivers of Change

The key drivers of change in India are, for instance, the economic factors. The economic patterns affect the purchasing powers of the customers. Additionally, factors such as inflation and the gross domestic product of the country keep on changing. These changes affect the infrastructural development and the trading patterns in the country. The mentioned issues present a challenge for PepsiCo to undertake operations effectively.

The political dynamics are also a driving force of change. Issues of political instability are a hurdle for the company. Laws and restrictions that the government may set bring about changes. The laws concerning environmental protection, product safety, and pricing influence the operations of the business. Changes in governance also affect the organizational domains.

For example, initially, the Indian government was opposed to the entry of Pepsi for the reason that it was a foreign company. There were claims that the company would drain the country's resources.

The change in the demographics has a great impact on the market trends in a country. The changes in the family structures, population growth, and the values and preferences of the residents of the nation are dynamic. Thus, the firm should do extensive research to gain