**Alessia Ciccarello 1101324**

**Lundbeck Korea Case**

1. ***How did cultural differences between Rajar and Jun impact the decision-making inside Lundbeck Korea?***

Cultural differences between Denmark and South Korea had a significant impact on decision-making inside Lundbeck Korea, especially in **management style**, **marketing strategies** and **relationships**.

Related to management styles, there was a conflict between the **control** and the **supervision** the Rajar wanted to have on the Korean subsidiary, and the **desire for autonomy** of the other side. Jun in fact believed that **local expertise** and knowledge should be given more weight in decision making.

Differences in cultural norms also led to disagreements related to **marketing strategies**. Rajar favored a **broad and uniform marketing approach** that had been successfully in other Asian markets. However, Jun emphasized the importance of **building strong relationships** with important opinion leaders. In Korea relationships are based on engagement and entertainment, practices that Rajar considered **excessive**.

Another aspect to consider is the difference in **how symbols are perceived**. An example is the disagreement with Jun’s company car. He believed that the car’s status was important for gaining respect from clients and reflecting the company’s growth. Rajar, however, considered this aspect **unnecessary** and **not important**.

1. ***Since the case study does not explicit the final decision, if you were Michael Andersen, would you give more autonomy to Lundbeck Korea, or would you pursue a standardized global strategy? Why?***

Personally, if I were Michael Andersen, **I would give more autonomy to the Korean subsidiary**, while ensuring a **strong alignment with the headquarters’ vision**. In my opinion, a full standardized global strategy might not work well, since the Korean pharmaceutical market is characterized by **strict government price regulations**.

One of the biggest challenges in Korea is the **pricing and reimbursement system**. Unlike in many European countries, where companies have freedom in setting prices, Korean drug prices are controlled by the government. As Jun was trying to do, giving more autonomy to the Korean subsidiary would allow to **negotiate the price**, **react quickly to market changes** and adopt price strategies that align with the dynamics of the Korean market.

Furthermore, the **competition** in the Korean market is **intense**, and strong local pharmaceutical firms understand better the market and have a deeper connection with key opinion leaders. A more independent subsidiary would be able to develop **tailored marketing campaigns** that address specific concerns of Korean doctors, while also cultivating trust and creating strong relationships with other key stakeholders. **This local adaptation would help build credibility and a strong market presence**.

However, I would not give complete independence from Lundbeck Asia and the other headquarters. It is essential to maintain a strong alignment with the company’s core research and priorities, overall strategic direction and brand identity. In my opinion, in an effective model Lundbeck Korea should be involved in **market-specific decisions**, like price strategies or marketing activities, but not going far from the main framework of the company’s global strategy.