



MKT3601 China Business Environment

KEY TAKEAWAYS

Week11

- Q&A at 10:30—11:30
on Tuesday (2nd
April)
- LI-1511

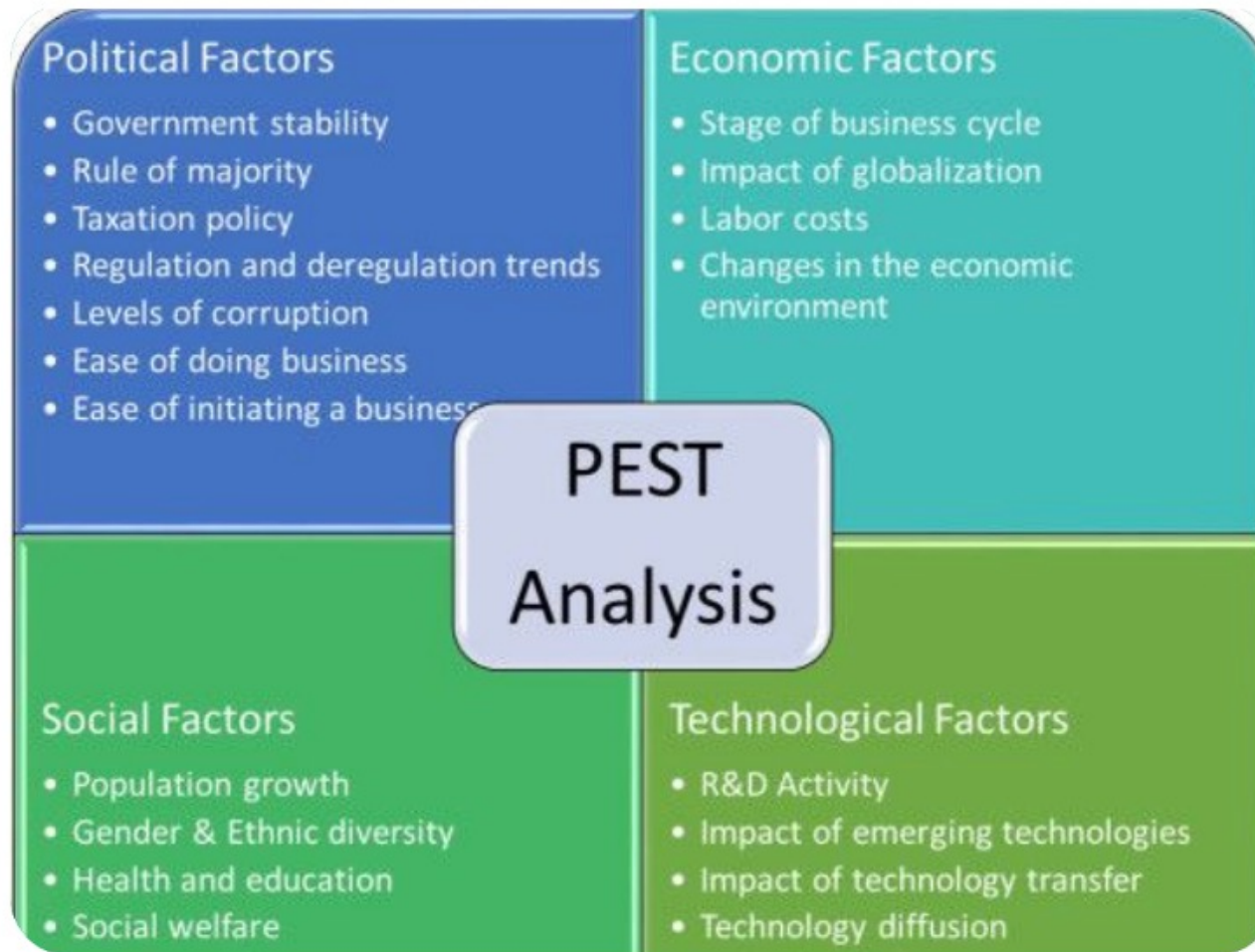


Course Outline – Tentative Topics

W	Topic	W	Topic
1 15th-19th Jan	Outline	8 11th-15th Mar	<i>Consultation: Progress Of Final Group Project</i>
2 22nd-26th Jan	Cultural and Social Environment	9 18th -22nd Mar	Consumer Market in China
3 29th Jan -2nd Feb	Political and Legal Environment //Forming groups	10 25th-29th Mar	Sustainable Development in China
4 5th-16th Feb	Economic Reform I	11 01st -05st Apr	Course Revision and preparation for presentation
5 19th-23rd Feb	<i>Film/book Reflection Assignment</i>	12 08th-12th Apr	Oral Presentation of Final Group Project (6 Groups)
6 26th Feb -01st Mar	Economic Reform II	13 15th-19st Apr	Oral Presentation of Final Group Project (6 Groups) Submission of Final Report Of Group Projects
7 04th -08th Mar	Foreign Investment in China		

X sustainable

framework



Week2 Cultural and Social Environment in China

Tier cities extremely importance
Affect foreign companies decisions

Differences
GDP, technology...

Geographic Situation

- Regional difference
 - Tier cities
- ****week2 + week11

Demographic Situation

- Urbanization
- week4/5 ghost cities

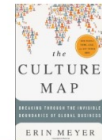
Social Issues

- Hukou system
- Aging issue

Culture

- Culture differences and business implications
- Understand the difference between China and other countries
***use data and example to elaborate

The Culture Map



Communicating:	Low context	↔	High context
Evaluating:	Direct negative feedback	↔	Indirect negative feedback
Persuading:	Principles-first	↔	Applications-first
Leading:	Egalitarian	↔	Hierarchical
Deciding:	Consensus	↔	Top-down
Trusting:	Task-based	↔	Relationship-based
Disagreeing:	Confrontational	↔	Avoid confrontation
Scheduling:	Linear-time	↔	Flexible-time

Source: Erin Meyer, 2014

Week3 Political Environment

*** five year plan
-> dual circulation strategy
Understand reason and content

*Use uber example in exam

- Political System
 - Five Year Plan
- Legal System
- Corruption not included

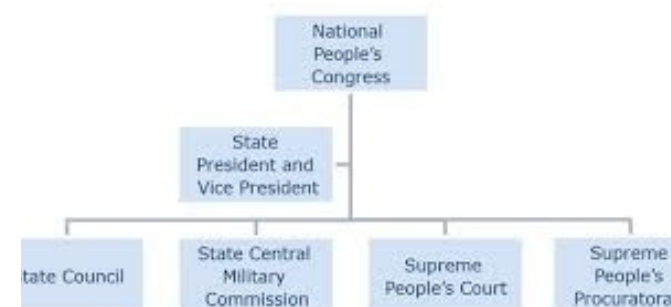


Case Study: Harvard Business Review

The Real Reason Uber Is Giving Up in China

• <https://hbr.org/2016/08/the-real-reason-uber-is-giving-up-in-china>

• What were Uber's primary challenges in China?



Discussion Question

Who will be the driving force for economic growth in China, SOEs or private business? And why?

Week5 Economic Reform I

Centrally planned economy

China's Economy Prior to Reforms

Economic Reform

- Key Elements of reform:
 - Agricultural Reform
 - State-owned Enterprise Reform
 - Growth of the Non-state Sector
 - Opening-up Policy

Exam don't include agricultural reform

*** some concepts are very important in other 3

Week6 Economic Reform II

economic reform + challenges and uncertainty

- Regional Development (Open Door Policy)

- Challenges

- ✱ Regional Disparity
- ✱ Urbanization

- Uncertainties

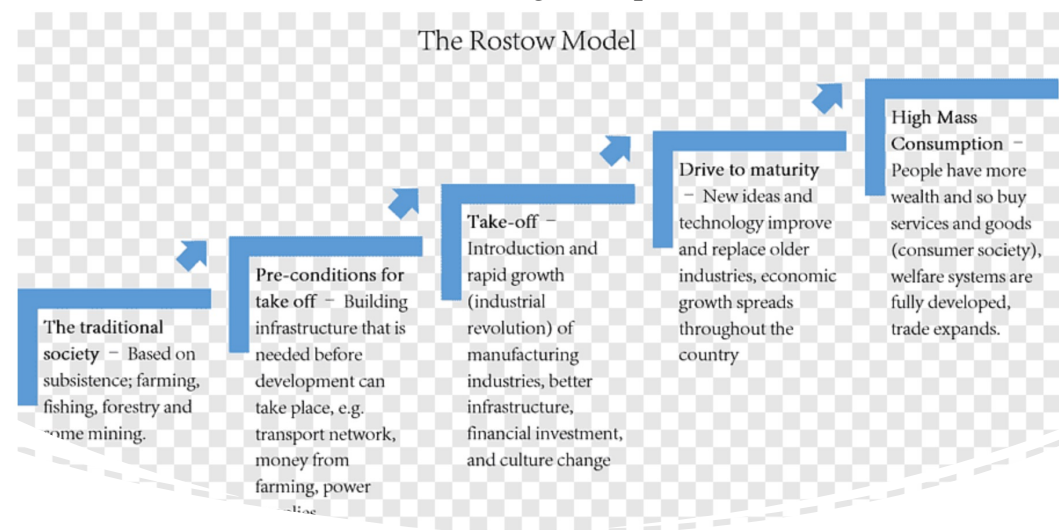
- ✱ Structural Change
- ✱ One belt, One Road
- ✱ US-China Trade War

US china trade war not included

***other two important

*Economic zone -> Shanghai Free trade zone

Understand how to apply regional disparity when foreign companies choose to enter

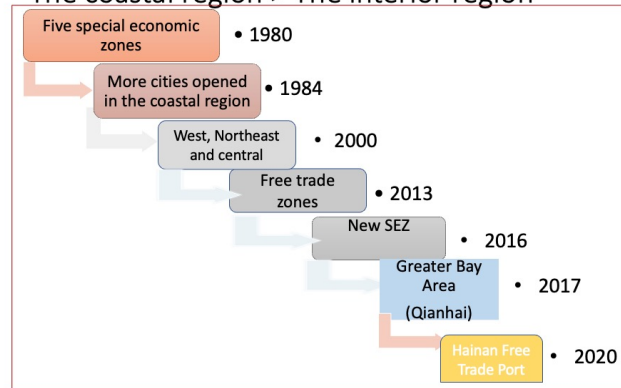


Week7 Foreign Investment in China

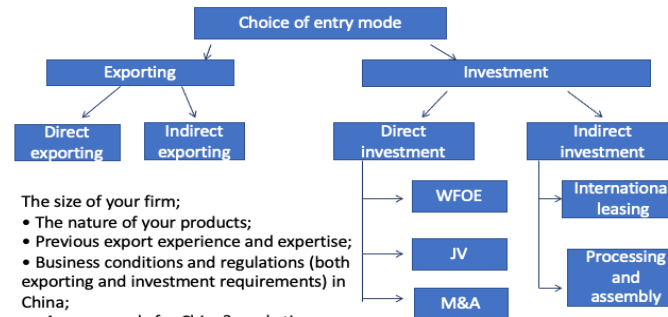
***One exam question from this topic

- Q1. Should we enter?
 - Business environment
- Q2. How could enter?
 - Entry options

The coastal region > The interior region



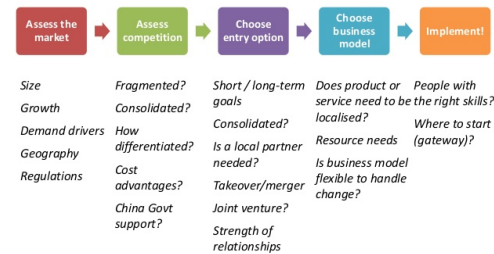
Entry mode



The size of your firm;
 • The nature of your products;
 • Previous export experience and expertise;
 • Business conditions and regulations (both exporting and investment requirements) in China;
 • Are you ready for China? marketing, after-sales services);
 • The need for control of your product and intellectual property rights (IPR) protection;
 • The time and resources of your company.

Exporting mostly online
 ***W7+W11

***understand pro and con of each type
 WFOE, JV, M&A

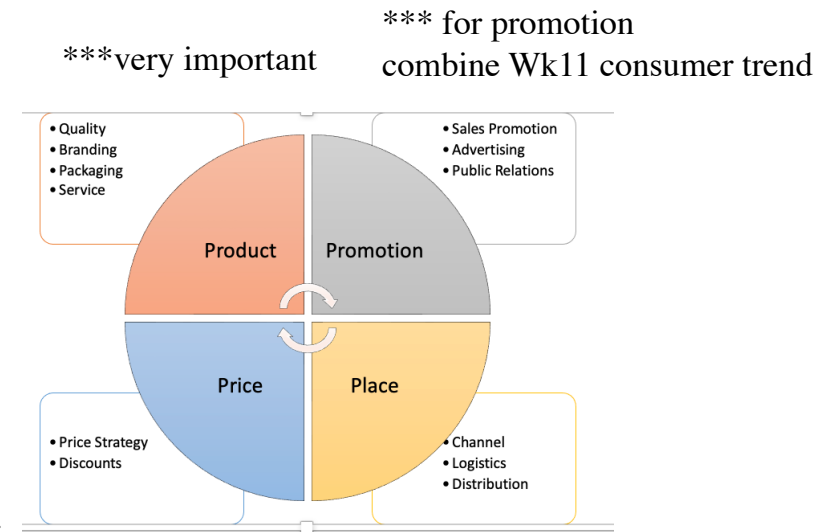


Week7 Foreign Investment in China

- Q3. How could ensure the successful entry?
 - Marketing mix

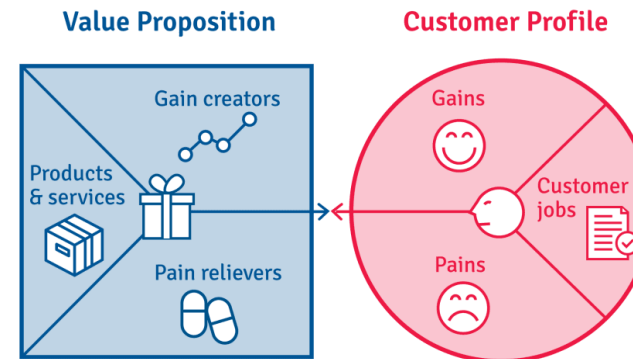
	Standardization	Adaptation
Pros	• Economies of scale • Faster set up time • Single Coherent global image • Excellent monitoring of communication	• Respect local specifications and expectations • Excellent local image • Customers keep their landmark and feel noticed
Cons	• Possible loss of advertising effectiveness • Little reactivity and little flexibility • Can create negative reaction from neglecting local needs	• Higher cost • Time consuming and poor speed of execution • Difficulty to know what consumers really want

Pros and Cons of Both Approaches



*** focus online

-> understand different platform (main target)
 spring water from france set up different price on different platform
 *** always start with pink box



Week9 Consumer Market in China

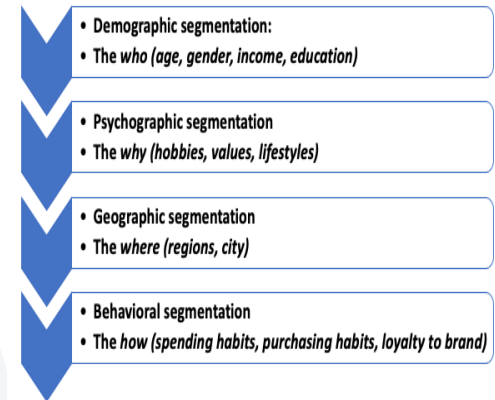
- Consumer Market
- Emerging Consumer Trends (6)
- E-commerce in China
 - Market trends
 - Marketing trends

*** E-commerce

have highly connected with internet
e.g. finding product to settling payment

Understand what kind of marketing campaign can be used

Customer Analysis



****STP model -> choose most profitable market segment
-> Wk7(how to define consumer market)

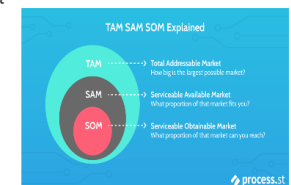


Customer Analysis

TAM is the total market demand for a product or service.

SAM is a subset of TAM, that is, a portion of the total available market that fits your product or service.

SOM is a subset of SAM, that is, the segment of the serviceable available market that you can realistically reach after considering factors like product differentiation, budget, and competition.





Assessments

- Participation: 30% (English)
- Final Group Project: 30%(English)
 - Group oral presentation: 25%
 - Group written report: 5%
- Final Exam : 40% (English)
(refer to Course Syllabus)



Final Group Project: 30%(cont.)

- *The written report: 5% and the oral presentation:25%*
 - *The oral presentation should be 20--25 minutes.*
 - *The report's length should be limited to no more than 2 pages.*

Final Group Presentations S01

<u>Week 12 presentations</u>		Tuesday (S01)
9:00	9:25	Group 1
9:25	9:50	Group 2
9:50	10:15	Group 3
10:15	10:40	Group 4
10:40	11:05	Group 5
11:05	11:30	Group 6
11:30	11:55	Group 7

<u>Week 13 presentations</u>		Tuesday (S01)
9:05	9:30	Group 8
9:35	10:00	Group 9
10:00	10:25	Group 10
10:25	10:50	Group 11
10:50	11:15	Group 12
11:15	11:40	Group 13

Hand in ppt on 08th April

Final Group Presentations S02

<u>Week 12 presentations</u>		Thursday (S02)
15:00	15:25	Group 1
15:25	15:40	Group 2
15:50	16:15	Group 3
16:15	16:40	Group 4
16:40	17:05	Group 5
17:05	17:30	Group 6
17:30	17:55	Group 7

<u>Week 13 presentations</u>		Thursday (S03)
15:00	15:25	Group 8
15:25	15:40	Group 9
15:50	16:15	Group 10
16:15	16:40	Group 11
16:40	17:05	Group 12
17:05	17:30	Group 13
17:30	17:55	Group 14

Hand in ppt on 10th April

Final Group Presentations S03

<u>Week 12 presentations</u>		Thursday (S03)
9:00	9:25	Group 1
9:25	9:50	Group 2
9:50	10:15	Group 3
10:15	10:40	Group 4
10:40	11:05	Group 5
11:05	11:30	Group 6
11:30	11:55	Group 7

<u>Week 13 presentations</u>		Thursday (S03)
9:05	9:30	Group 8
9:35	10:00	Group 9
10:00	10:25	Group 10
10:25	10:50	Group 11
10:50	11:15	Group 12
11:15	11:40	Group 13

Hand in ppt on 10th April

Final Group Project: 30%(cont.)

- **Grading:**
 - *Peer evaluation form (download from Canvas)*

▼ MKT3601 China Business Environme
▸ group lists
▼ peer evaluation
 ▼ S01
 ▸ S02
 ▸ S03
▸ Teaching notes

Name ▲	Date Created	Date Modified	Modified By	Size	
 S01 group1.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group2.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group3.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group4.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group5.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group6.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓
 S01 group7.xls	Mar 13, 2024	Mar 13, 2024	Qin DONG	44 KB	✓

Don't Forget:

- *Group Written Report*
File name: S01_group1 report .docx
- *Peer Evaluation Form (optional)*



Final Exam: 40%(Open book)

- Essay Questions (you are evaluated on understanding rather than recall and memorization.)
- Assessment Criteria:
 - Width and depth of knowledge
 - Clarity and structure of the presentation
 - Valid, logical and substantive conclusion
- ***You will be expected to***
 - apply material to new situations
 - analyze elements and relationships
 - evaluate using your material as evidence

Final Exam: 40%(Open book)

- Open book exams allow you to take notes, texts or resource materials into an exam situation.
- Materials might be:
 - your notes
 - Teaching materials
 - but no electronic assistance, such as laptop, iPad and mobile phone

