

Market success for foreign small and medium-sized companies in China

Shanghai, 2014

Cologne · Shanghai · Beijing · Mumbai · São Paulo · Singapore · Seoul

In an ever more challenging Chinese market, a strong local strategy has become a business imperative

*Who are my competitors?
And what are they doing?*

Is there a growing demand for my product?

How can I justify a higher price?

*Why are my distributors not successful
in selling my product?*

*What is the attitude of (end) consumers
towards my product?*

*How can I differentiate myself from
local competition?*

*Should I adjust my products?
And how?*

*Where can I get market insights and
information?*

*Which market segments are
relevant for me?*

*Do I need to adjust the way I communicate
with the local market?*

Where should I sell my product?

What do clients really want?

*What is the best way to access
the Chinese market?*

“Just exporting & selling is not cutting it anymore”

Three common challenges for SMEs

Challenge 1

Understand your market

- *How to properly evaluate the market?*
- *How to better understand the local perception of your products, services and brands?*

Challenge 2

Convince potential customers

- *How to justify a price premium in the Chinese market?*
- *How to change the way clients, consumers or distributors think about your brand and product?*

Challenge 3

Defend and grow your share

- *How to deal with increasingly fierce local competition?*
- *How to expand your market share beyond premium segments?*

Understand your market!

Challenge 1

Challenge 2

Challenge 3

Key actions

- *Understand market trends, buying behavior and vital product criteria*
- *Identify “white spots” and opportunities for growth*
- *Set the foundation for your China strategy*

Tool 1: Utilize existing knowledge

- *Organize workshops with sales team/internal staff and management to pool existing market knowledge*
- *Internal information and reports often remain unused
→ use a fresh pair of eyes to analyze & review existing data*

Tool 2: In-depth industry research

- *Collaboration with industry experts for insights and market estimations*
- *Comprehensive research on external data*
- *Find tailor-made ways to obtain relevant information*

Tool 3: Get direct market feedback

- *Structured 1-1 interviews with distributors/customers to get their opinion on your products and brands*
- *Moderated discussion groups with consumers/distributors to get a clear picture regarding the existing perception of your product*
- *Quantitative research (e. g. online surveys) to test your ideas and services on a larger scale*

Tool selection

Convince your customers!

Challenge 1

Challenge 2

Challenge 3

Key actions

- *Communicate your strengths and build up credibility!*
- *Provide your team and distribution partners with the necessary material, insights & guidelines to sell your products*

Tool 1: Educate consumers and customers

- *Whereas in Europe most (potential) customers know what you stand for, this is not necessarily the case in China*
- *Do not fear, but utilize the lack of buying experience*
- *Create proof points and tools to specifically address unexperienced buyers*
- *Use your brand to justify a premium price!*

Tool 2: Optimize your communication

- *Highlight your strengths – this can be your heritage, your customer service or certain product criteria*
- *Promotion material like brochures, but also exhibitions, often need China-specific adjustments*
- *Convey the right message through the right channels at the right time!*

Tool 3: Leverage digital media

- *Use digital media for cost-efficient promotion*
- *Be present on Chinese industry portals through banners and editorials*
- *China's social media landscape offers many opportunities – which remain mostly untouched by SMEs and the B2B segment*

Tool selection

Defend and grow your market share!

Challenge 1

Challenge 2

Challenge 3

Key actions

- *Do not stay passive – seek for ways to enhance your position in the market*
- *Deal with your competition – competitors often grow in the low- and mid-level segments undisturbed before they target you*

Tool 1: Monitor your competitors

- *What are their selling points and how are they perceived in the market?*
- *Analysis of competitor threat potential for your business*
- *Screening of competitors' communication activities (e. g. website, brochures, events, social media)*

Tool 2: Launch a sub-brand / product line

- *Start a dual-brand approach to enter lower price segments without jeopardizing your reputation as a premium brand*
- *Be careful to avoid cannibalization effects*
- *Tackle local competitors before they tackle you*

Tool 3: Opportunity screening

- *Identify your competitors' sub-par business practices (e. g. lack of CRM systems) and use them to your advantage*
- *Use untapped opportunities, e.g. development of relationships with industry influencers*
 - *Use key topics like "sustainability" and "safety" to find common ground*
 - *Establish your product as the industry "gold standard"*

Tool selection

Take a first step to your new China-strategy

**Take a
first step!**

**Understand your
market**

*Utilize existing
knowledge*

*In-depth industry
research*

*Get direct market
feedback*

Tool selection

**Convince
customers**

*Educate consumers
and customers*

*Optimize your
communication*

*Leverage digital
media*

Grow & defend

*Monitor your
competitors*

*Launch a sub-brand
/ product line*

*Opportunity
screening*

Align internal stakeholders

- *Often the HQ's expectations are not compatible with local realities*
- *Provide proof points and a winning concept*
- *Convince and align all stakeholders for a common goal*

Develop your China strategy

- *Establish the basis for a structured market development*
- *Adjust your product and brand to the necessities of the Chinese market – but stay in line with your global strategy and company values*

Want to know more?

We're looking forward to hearing from you! Or visit us at www.globe-one.com



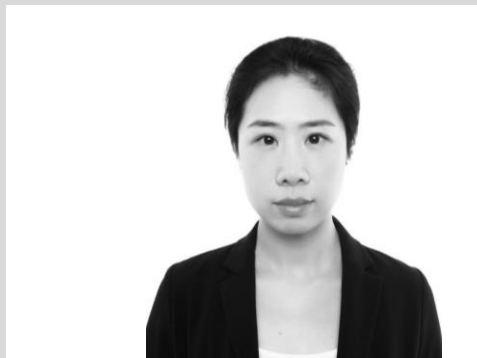
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SUV sales gain momentum in China

by Jenny Chan 陳詠欣 on Jun 3, 2013

The market share of sports utility vehicles, particularly Chinese brands, is growing as ads promoting a culture of freedom and rugged individualism take hold.

DATA POINTS: Analysis of Shanghai Auto Show 2013

by Jenny Chan 陳詠欣 | May 14, 2013 | Comments

The Shanghai Auto Show 2013 in April was attended by more than 800,000 people, after which marketing consultancy Globeone teamed up with research agency CBC to measure the show's impact. The most important issue, according to the 316 visitors surveyed, was technology for better safety. Chinese car manufacturers have also been working hard to step up their game, and that effort is paying off in a market with more than 200 million prospective first-time car buyers for Chery and Great Wall Motors.

campaign

Asia-Pacific

Brasilien liebt „made in Germany“

Deutsche Marken vor allem bei Wohlhabenden en vogue

MOS. BUENOS AIRES, 5. Mai. Brasilien hat sich in der letzten Dekade zu einem der wichtigsten Absatzmärkte entwickelt. In Dollar bewertet hat sich die Wirtschaftsleistung des Amazonaslandes in zehn Jahren etwa verdoppelt. Gleichzeitig sind 40 Millionen Brasilianer in die Mittelschicht aufgestiegen. Mit rund 100 Millionen Menschen umfasst diese inzwischen mehr als die Hälfte der Bevölkerung. Brasiliens großer Inlandmarkt ist dadurch noch attraktiver geworden.

Da ist es gut zu wissen, dass deutsche Produkte in Brasilien einen klaren Startvorteil genießen. „Deutschland wird als Herkunftsland von Produkten und Dienstleistungen in Brasilien sehr geschätzt“, heißt es in einer Studie der internationalen

„Brasilien ist nicht mit der Upper Class von São Paulo oder Rio gleichzusetzen“, erläutert Ana Helena Szaz, Geschäftsführerin von Globeone in Brasilien. Es bedirft differenzierter Produkt- und Marketingstrategien, um die unterschiedlichen Regionen des riesigen Landes zu erschließen und die gerade in der Mittelschicht im Vergleich zu Europa deutlich jüngeren Zielgruppen als Käufer zu gewinnen. Die Eins-zu-eins Übertragung von Strategien für entwickelte Märkte führe in Brasilien selten zum Erfolg. „Viele deutsche Unternehmen sind sehr gut darin, höchste Qualität zu liefern – am besten 150 Prozent“, so Schaffmeister. Für die wachsende Mittelschicht Brasiliens „gerade gut genug“

FORTUNE

글로벌원은 어떤 회사?

글로벌원은 독일에 본사를 둔 전략 커뮤니케이션 및 브랜드 컨설팅 기업이다. 2010년 3명의 직원으로 설립된 후 매년 2배 이상의 성장을 이어가며 현재 독일, 중국, 인도, 브라질, 싱가포르, 한국 등에 걸쳐 50여 명의 직원을 두고 있다. 주요 고객사는 자동차, 화학, 소비재 기업들로 DAX 상장 기업들은 아시아와 중국, 싱가포르 등 신흥국가들을 중심으로 위치해 있다.



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Germans struggle to name Chinese brands

Updated: 2013-12-17 07:34

By Lyu Chang (China Daily USA)

Print Mail Large Medium Small Share 0

China has the world's second-largest manufacturing industry, but it still lacks brands that stick in foreign consumers' minds.

A survey of consumers in Germany, China's biggest trading partner in Europe, found that few can identify a single Chinese brand known for its quality.

The survey by globeone, a Cologne, Germany-based marketing and strategy consultancy, found that only 17 percent of 1,000 German consumers could easily recall one Chinese brand.

The survey also found that 32 percent of the consumers surveyed generally avoid Chinese brands, which they view as low in quality.

"Chinese brands have much work to do in building up the images of their brands in terms of perceived product quality and sustainability in the European Union and Germany in particular," said Niklas Schaffmeister, managing partner at Globeone in Cologne.

Handelsblatt

UNTERNEHMEN & MÄRKTE

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Huawei wird „Champion Partner“ von Borussia Dortmund

Die chinesische Handyfirma will in Europa ihr Image verbessern.

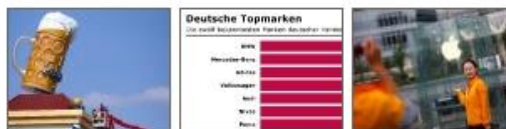
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Exporte: Deutsche Produkte sind Schwellenlandstars

"Euro-Krise schützt deutsche Firmen vor Aufkauf-Welle"

Global strategy meets local opportunity

We work **on global and local mandates**, creating meaningful impact in a **variety of sectors** for globally active clients.



Thank you

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