

To: Robert Smith, CEO
From: Mike Wall, Senior International Expert
Date: February 14, 2018
Subject: Expansion into China

Mr. Smith,

I've been made aware of the company's interest in expanding to China so I wanted to discuss the trends I've noticed in the country that may impact our business. China is a large and diverse country with many cultural influences and I would encourage you to be mindful of all of these factors as we discern the possibility of doing business in the nation.

Although officially an atheist country, strong Buddhist and Confucian influences are present in the values of the nation's citizens. Additionally, in this society they have a different understanding of kinship than our own. Lineage is important, however, meritocracy is an emerging belief system. These influences paired with affective style that Chinese citizens use to express emotions, make for a business environment that is different than our own.

In a growing number of aspects in Chinese society the long term view is favored. After the 'Century of Humiliation' Chinese society has adapted and innovated countless times in order to ensure prosperity. This means that while the Chinese highly favor stability, they may take calculated risks and enter into uncertainty if they believe it will enhance the end result. Understanding this need for trust and willingness to take moderate risk is essential for successful business relations.

In this society materials are less favored than in our own, making services like ours primed for success. Finally, the interest of the collective over the individual is favored in Chinese society. Appealing to the desire for long term orientation and to have collective success, our company could emphasize that our insurance will protect the whole family, ensuring prosperity for the policyholder and their entire lineage.

Please let me know if you have any questions.

Best,

Mike Wall
Senior International Expert