Initial Research Proposal

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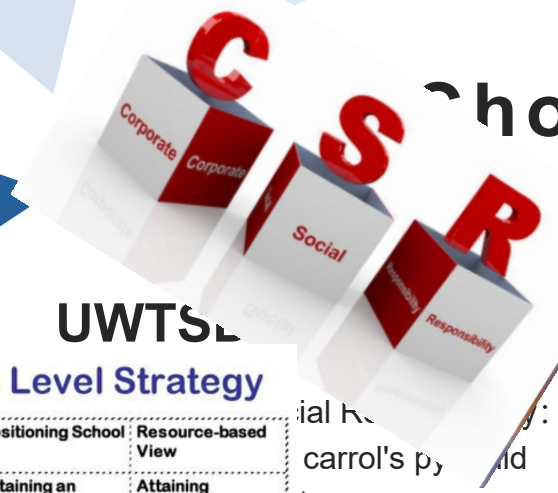
01

Choice of Topic

Topic

Whether cultural distance (difference) will bring effect for international companies' business in China

Choice Of Topic (Cultural Di



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Business Level Strategy

	Positioning School	Resource-based View
Strategic focus	Attaining an advantageous position	Attaining distinctive resources
Strategic Moves	Market/Industry positioning	Developing resource base
Tactical moves	Attaining necessary resources	Industry entry and positioning
Competitive advantages	Bargaining power and mobility barriers	Superior resources and imitation barriers

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ess Level Strategy
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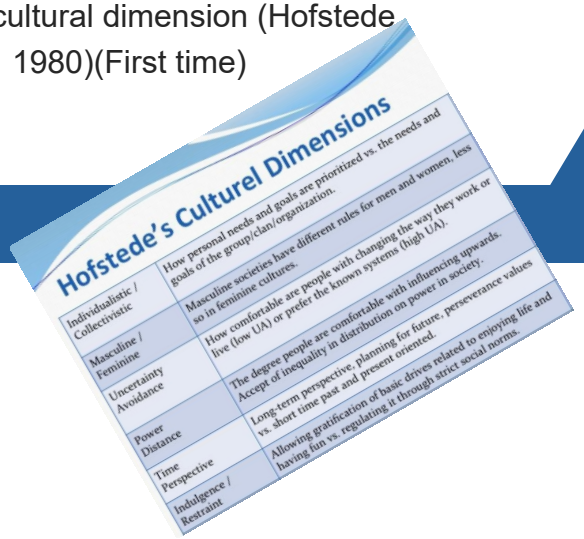
mmunication:
Hofstede cultural dimension (Hofstede 1980)(First time)

rk (Master)

ge People: Manage People Science (Moss, 1965)

ernational iness in the Global context rvo et al, 2014)

fstede cultural)(second time)



Hofstede's Culturel Dimensions

Individualistic / Collectivistic	How personal needs and goals are prioritized vs. the needs and goals of the group/clan/organization.
Masculine / Feminine	Masculine societies have different rules for men and women, less so in feminine cultures.
Uncertainty Avoidance	How comfortable are people with changing the way they work or live (low UA) or prefer the known systems (high UA).
Power Distance	The degree people are comfortable with influencing upwards. Accept of inequality in distribution on power in society.
Time Perspective	Long-term perspective, planning for future, perseverance values vs. short time past and present oriented.
Indulgence / Restraint	Allowing gratification of basic drives related to enjoying life and having fun vs. regulating it through strict social norms.

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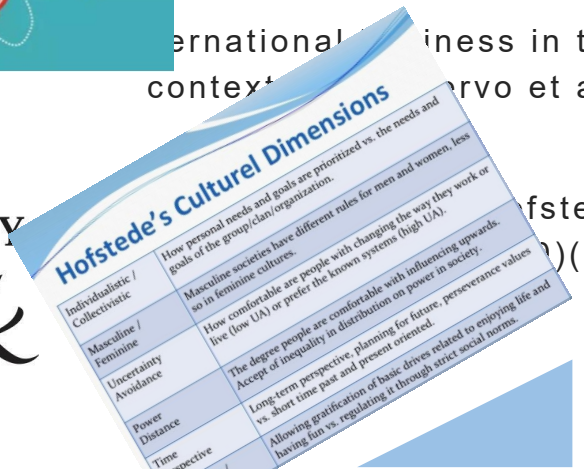

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Cultural dstiance from Hofstede (1980,2001,2010) Six Cultural dimensions

Collectivism vs Individualism

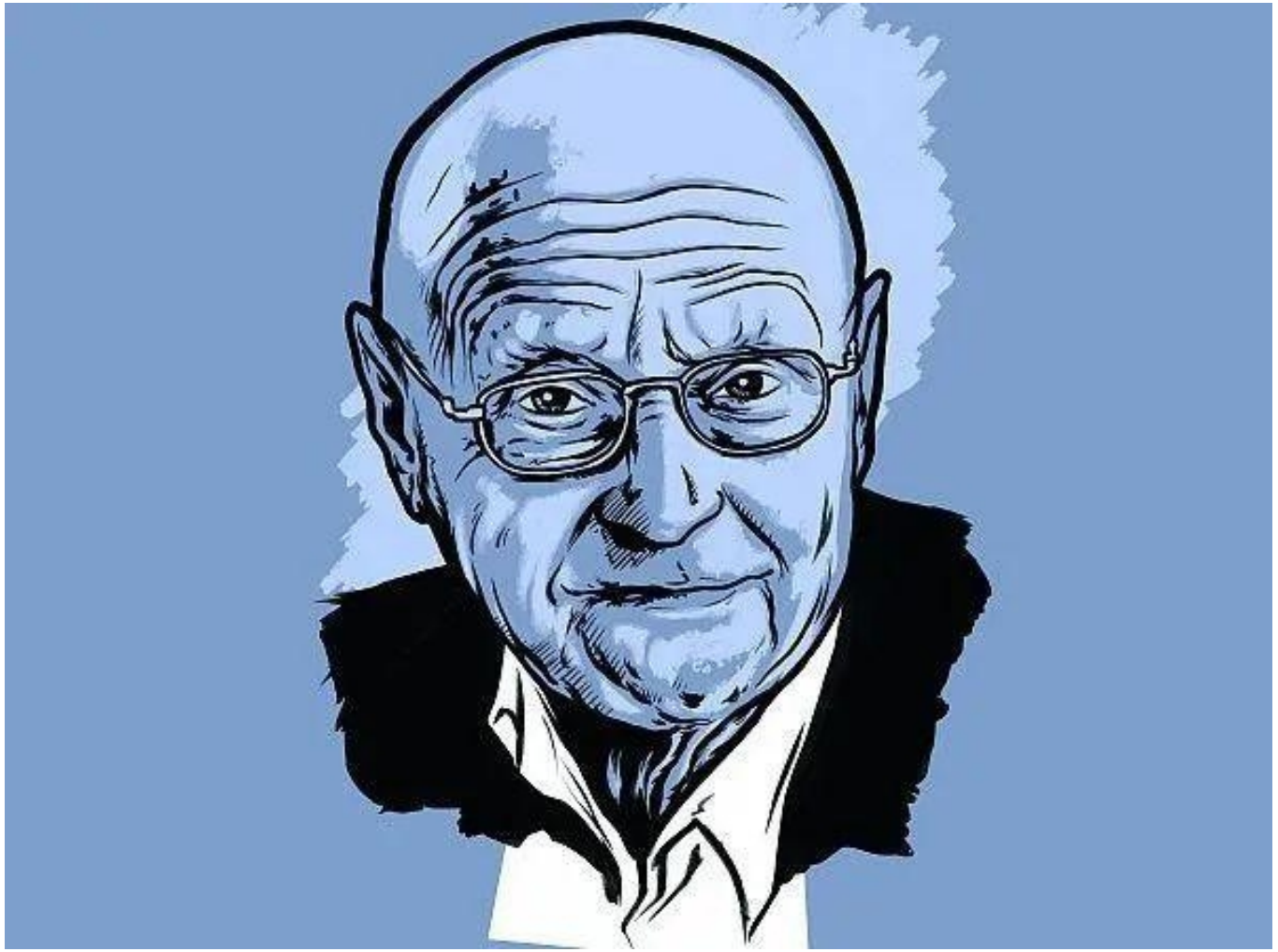
Power

Uncertainty avoidance

Femininity vs Masculinity

Restraint vs Indulgence

Short-term orientation vs Long-term orientation



Choice of Topic (China)

According to the Gov.cn （2021）：

1, Chinese Gross Domestic Product (GDP) exceeded 100 trillion yuan for the first time in 2020 with influence of Covid19;

2, Total goods imports and exports reached 32.16 trillion yuan;

3, In 2020, China becoming the biggest trading partner with EU;

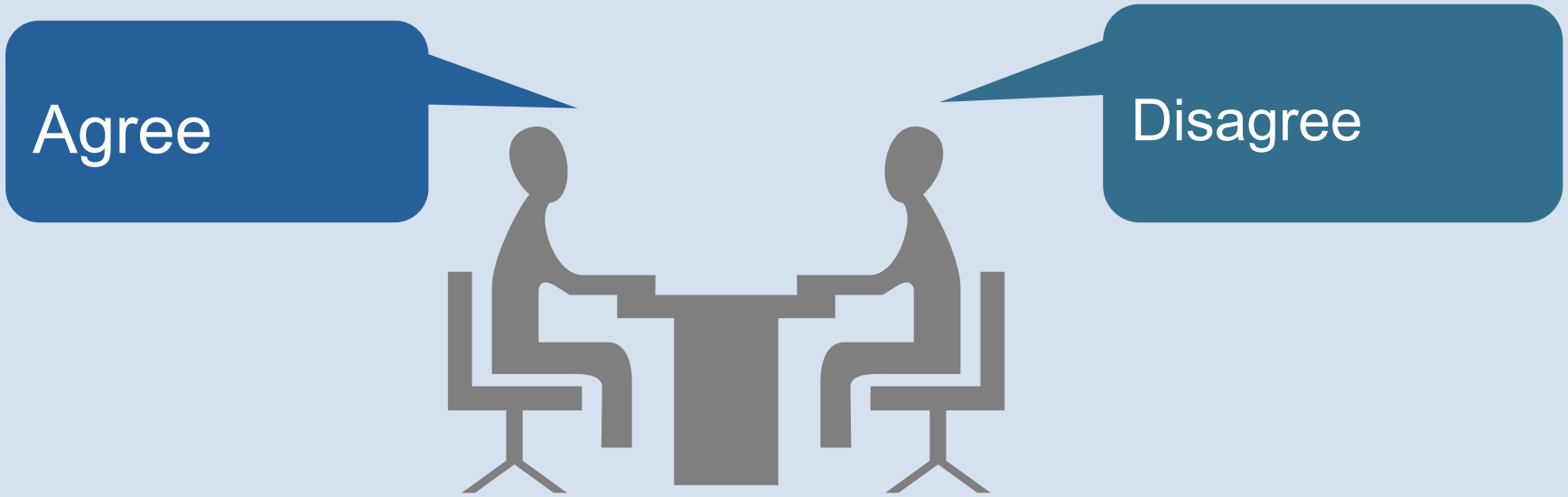
Choice of topic

Whether cultural distance (difference) will bring effect for international company business in China

02

Critical Reivew for Topic and Questions

Cultural distance with Hofstede



Cultural distance with Hofstede

People who agree with Hofstede in culture area may think:

1, one tool for developing public strategy, which will bring help for building connection between the public and culture. (Kang and Mastin, 2008)

2, not only bring the define of countries' value into business area, but also provide the definition of general country's value. (De Mooij and Hofstede, 2010)

3, it has been accounted for over 180 studies (Kirkman et al, 2006), cited over 50,000 times (Beugelsdijk, 2007), *Culture's Consequences* is one of the 25 most famouse cited book in society science (Devinnney and Hohberger, 2017)

Cultural distance with Hofstede

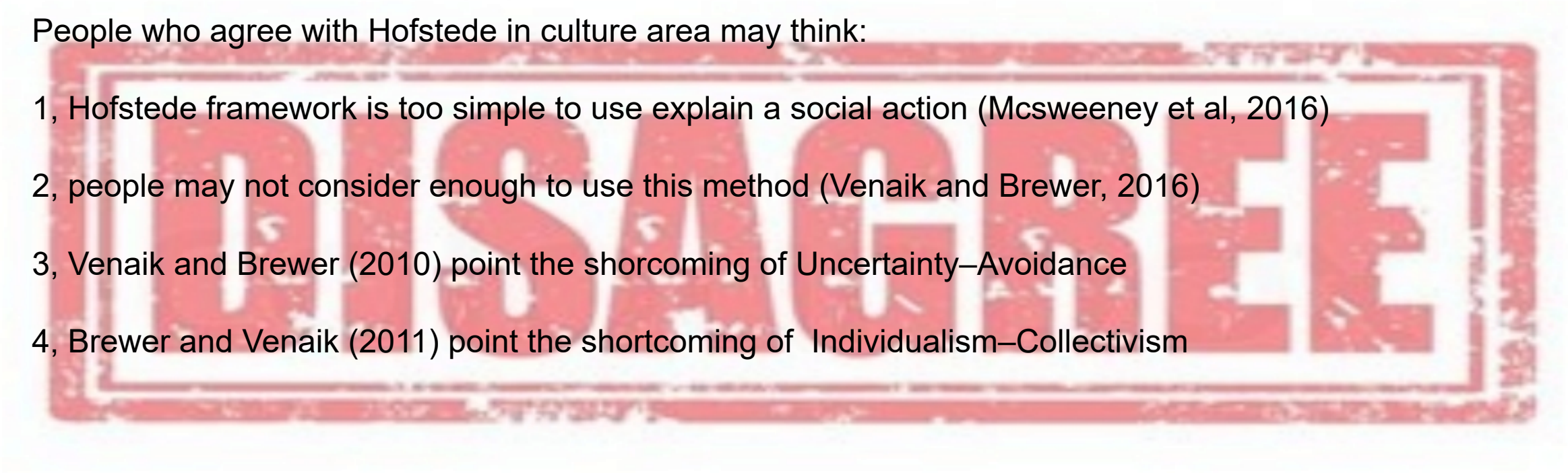
People who agree with Hofstede in culture area may think:

1, Hofstede framework is too simple to use explain a social action (Mcsweeney et al, 2016)

2, people may not consider enough to use this method (Venaik and Brewer, 2016)

3, Venaik and Brewer (2010) point the shorcoming of Uncertainty–Avoidance

4, Brewer and Venaik (2011) point the shortcoming of Individualism–Collectivism



Cultural distance with Hofstede

According to the Venkateswaran and Ojha (2019):

1, Even Hofstede has some weakness, it still has popularity and utility in **international business** and **cross culture research.**

2,Even somebody criticize on the accurate of Hofstede result on national culture ,Complex of social secience cause Hofstede still popular in managers and shcolars

How to use it

Cultural distance in China

Case of understanding of Chinese culture

Case of misunderstanding of Chinese culture

“Coca-cola” and “可口可乐”

“可口” means declious and “可乐” means happiness, it fit into Chinese people seeking happiness and declious foods. (Li, 2007; Ran, 2010)

Coca-cola (China) has obatin 33 billion dollars in China at 2020, and China has become the third largest market for Coca-cola (Sina Finance, 2021)

Land Cruiser and stone lion

Land Cruiser Prado stone lion advertisement culture question (Sinclair, 2008)

Magzine of “AUTO FAN” and TOYOTA show their apologize (Sohu, 2017)

Mattel and Barbie doll

Flagship had to stop its activities in Shanghai on 11 March 2011 (BBC news, 2011)

Cancel the design of Chinese barbie, too sexy for Chinese girl (Wang, 2012)

Back to China ,think highly of local culture (Yu, 2013) same in Japan

DG&GABANA and chopsticks

Chopsticks advertisments bring Suspect of cultural discrimination (FT, 2018)

“The Great show” in Shanghai has been canceled beacuse many Chinese stars refuse to join in this show (Handley, 2018)

Chinese E-commerce sites removed DG products.(Shih, 2018)

Showing apologize in Chinese on Yotube (Yotube, 2018)

Primary Literature review

Primary Literature review:

ABS resoruces:

1. The Effect of National Culture on the Choice of Entry Mode (Kogut & Singh, 1988).

2. An overview of Hofstede-inspired country-level culture research in international business since 2006 (Beugelsdijk et. at, 2017).

3. Using interdisciplinary lenses to enrich the treatment of culture in international business (Shenkar, 2021).

4. Culture and International business research: A review and research agenda (Srivastava et al, 2020).

5. Chinese culture, modernization, and international business (Leung, 2008).

6. Cross-cultural examination of the effects of promotional framing on consumers' responses: A comparison of China and Pakistan (Zheng & Hao, 2016).

7. From 'business culture'to 'brand state': Conceptions of nation and culture in business literature on cultural difference (Halsall, 2008).

Primary Literature review: (Continue)

8. Negotiating cultural boundaries: Food, travel and consumer identities (Bardhi et al. 2010).

9. Consumer ethics across cultures (Belk et al, 2005).

10. Consumption, taste, and the economic transition in modern China (Zhang, 2020).

11. The cultural shadows of cross cultural research: images of culture (Lowe, 2002).

12. From 'business culture' to 'brand state': Conceptions of nation and culture in business literature on cultural difference (Halsall, 2008)

13. Culture, capitalism and political entrepreneurship: Transnational business ventures of the Singapore- Chinese in China (DAHLES*, 2005)

14. Consumption, taste, and the economic transition in modern China (Zhang, 2020)

15. Cultural adaptation and socialisation between Western buyers and Chinese suppliers: The formation of a hybrid culture (Jia et al, 2016)

16,Meta-analysis of cultural differences: Another slice at the apple (Magnusson et al, 2008)

03

Research Method and Challenge

Research Method

Pragmatism

Mix methods:

Cases study

Questionnaire

Depth-interview

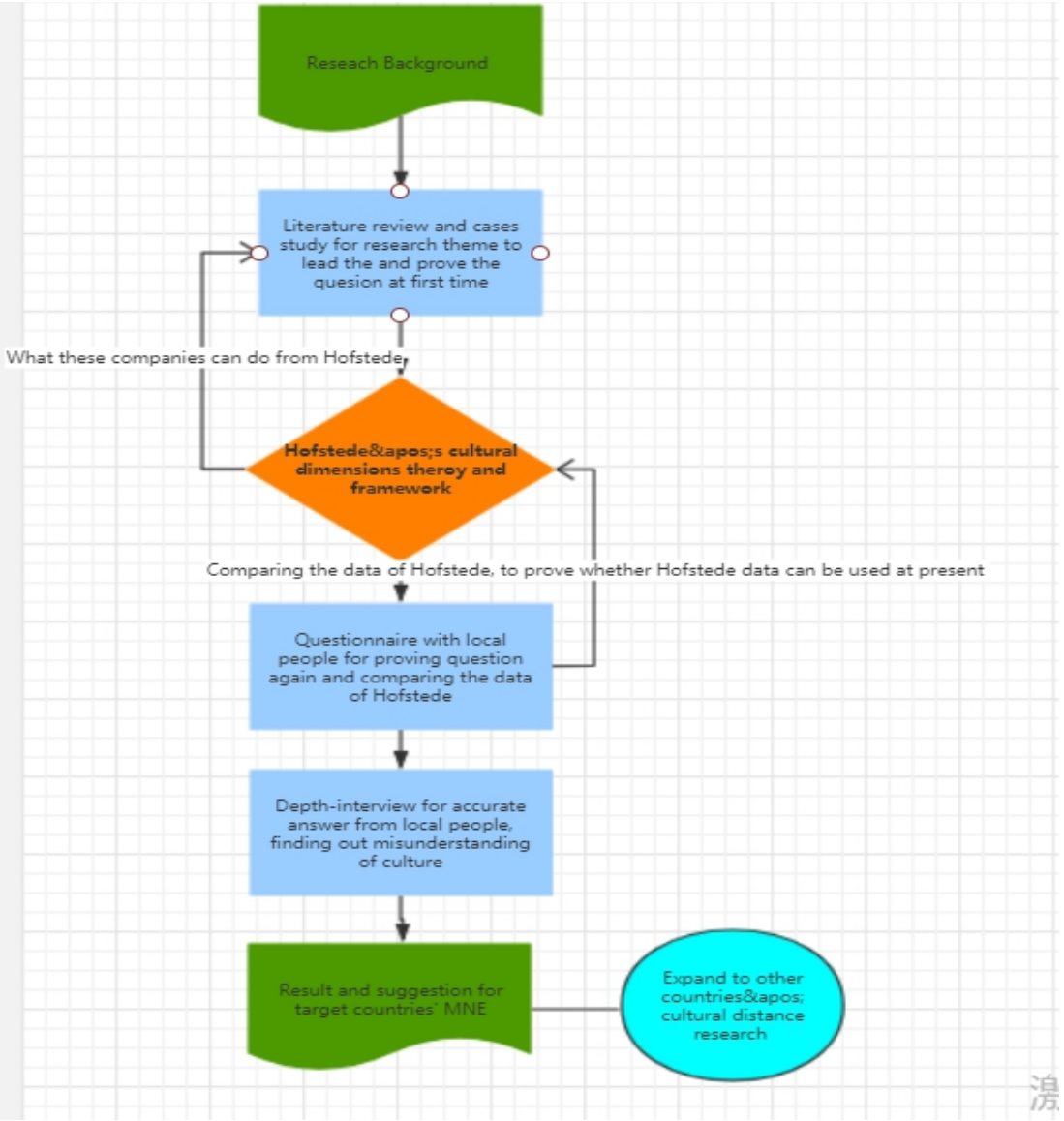


Figure1. Research process map

Research Method

Research Method

Case Study in this research :

1, Proving whether cutlural distance bring influence for MNE's international business by secondary data at first time.

2, Put Hofstede theory and relevant dimension at first time and finding out whether there are some suggestions from it.

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Research Method

Questionnaire in this research :

1, Only secondary data is not enough.

2, Data from questionnaire also can be used in Hofstede data to prove whether Hofstede data still can be used in this research and research question. for instance, using DG&GABANA case to test whether collectivisim is close to 80 in Hofstede-insight

Research Method

Interview in this research :

1, Questionnaire also has it’s own weakness, such as unreal answers.(Punch, 1994; Gams, 1962)

2, Depth Interview is not only for supply what mistakes may happen in the questionnaire, but also bring a deep thinking of what local people think of relationship between MNE and local culture, and what suggestions they can provide for it.

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Research Challenges

Research Challenge

Narrow of the topic and question:

Whether cultural distance (difference) will bring effect for **international companies' business** in **China**

CHALLENGE
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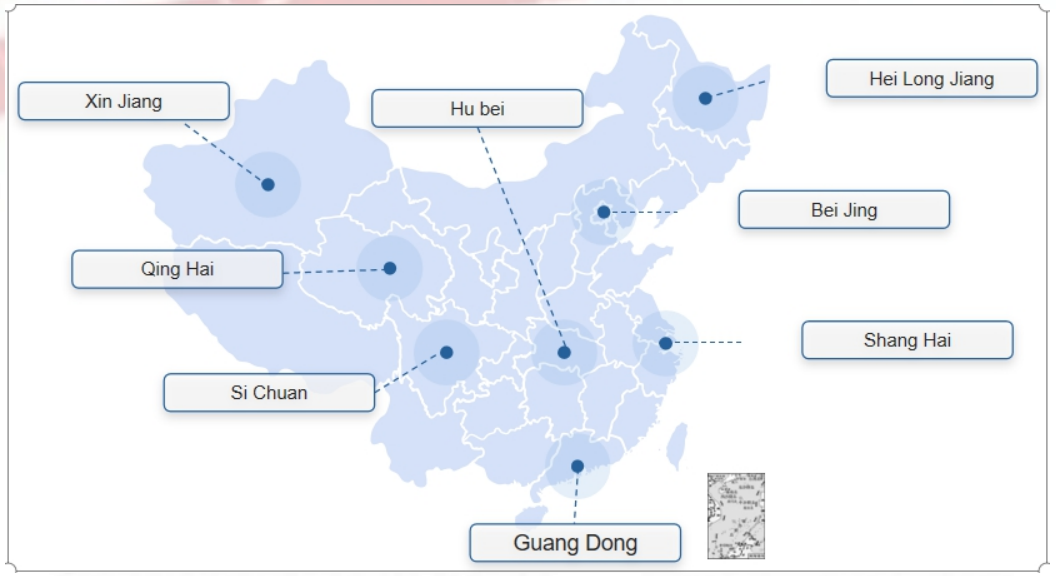
Research Challenge

China has 23 provinces (in addition to 3 municipalities, 5 autonomous regions and 2 Special Administrative Regions) with over 1.4 billion people (China statistical book, 2020)

Suggetion: Considering sample survey or narrow the research area.



Research Challenge

International business also is a large scale beacuse analyze for every countries MNE international business cultural question in China is a hugh work.

Suggestions: Considering locate one target countrie's MNE.

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Research Challenge

Ethics with Privacy:

What researcher can do for recording interview ?

Note (Trust by others ?)

photographic images :characteristic of instant recognizability (Pink, 2001)

Recording pen

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