International a monthly watch list for doing business globally

Business Insights

VOL. 1- ISSUE 4

SEPTEMBER 2004

Seminar on How To Do Business Overseas

The International Business Council of Rochester Business Alliance, in cooperation with Key Zen International, will present a one-day seminar entitled, "Managing Risk and Optimizing Profits When Doing Business Overseas." It will be held on October 5th, at the Hyatt Hotel, beginning at 8:00 a. m.

Leading business executives from regional exporting firms will candidly discuss how to generate incremental revenue opportunities internationally. Special attention will be given to doing business in China, India and Mexico.

Attendees also will be made aware of credit and financial risks when doing business internationally and will receive tips on how to minimize these risks in the three of Rochester's fastest-growing markets.

The cost of the seminar, including lunch, will be \$39 for members of the Rochester Business Alliance and \$49 for non-members. **Call Gael Barrett at 263-3668 for reservations.**

Making the Grade in Germany

Millions of Europeans, from bartenders to soccer stars, have to deal with what might be called the certification complex -- a requirement that they be certified to pursue their jobs in a time-consuming process dating back to 19th century apprenticeships.

Of the 41 professions in Germany that require a "Meisterbrief," or Master certificate, to start a business, here are a sampling:

- Bricklayer
- Plasterer
- Stove builder
- Painter
- Carpenter
- Chimney
- Roof Tiler
- Sweep
- Road builder
- Metalworker
- Insulator
- Stonemason

(THE WALL STREET JOURNAL)

Dealing with the Germans

Germans do not have the British and American addiction to funny stories and wisecracks.

They long for deep friendships and have heartfelt discussions of life's problems and enigmas. A German is generally a loyal and true friend of incredible durability.

Bosses in Germany are respected for being strong, decisive, and hardworking. They are very competitive and ambitious. They are hard bargainers.

Germans, generally compartmentalize their arguments, each team member speaking about his or her specialty.

Coke Targets Second Cities in China

China's growth engine nowadays depends on second-and third-tier cities such as Chongqing, China's capital before the 1949 Communist revolution.

Coca-Cola Co., for example, entered China 25 years ago. Since then, China has grown to Coke's sixth largest global market in volume, after the U.S. And Mexico. Coke expects mainland China to become its third-largest operation within five years.

Coke China operation divides the country into five tiers. At the top, Coke places Shanghai and Beijing. After this lies "Urban One," with 27 major provincial cities such as Chongqing and Chengdu, the capital of Sichuan province. then "Urban Two," with about 2,000 smaller cities, 50,000 towns, and China's rural outskirts.

The top four tiers account for about 70% of China's population and nearly 100% of the U.S. beverage marketer's current sales in China.

Body Language Says More Than Words

According to Dr. William Pulte, anthropologist and linguist, middle-class Americans tend to stand 4 to 12 feet away while conducting business deals. In Buenos Aires of Mexico City, make that 3 to 6 feet.

In general, people from Latin America, much of the Mediterranean world and the Near East are comfortable at closer distances than most Americans. Asians, on the other hand, prefer greater distances.

This leads to stereotypes, says Dr. Pulte. "An American goes into a department store in Mexico City and another person positions himself 3½ feet away. And he thinks, 'Oh, these Mexicans are so pushy.'

""In Germany, it might be 4 to 8 feet. We think, 'Hey, these Germans are so unfriendly. They don't like us much."

The result is culture shock, says Dr. David B Givens, director of the Center for Nonverbal Studies in Spokane, Washington. He says that anywhere from 62 to 99 percent of all human communication is nonverbal.

Do You Know: In Thailand, Laos, Cambodia and Vietnam, Theravada Buddhism is the most important religion. This is distinct from Mahayana Buddhism, as practiced in China, Korea, Japan and the Hanoi area of Vietnam, which has a long history of Chinese influence. Today, there are over 30,000 temples scattered throughout Thailand's 73 provinces. The standard honorific on Thailand is 'Khun,' which can be used for Mr., Mrs., Miss or Dr.

GLOBAL CONSISTENCY in Marketing

"The conventional wisdom is that consistency is paramount in integrated marketing. The same look and feel, the same tag line, the same messages. The truth is, the holy grail is to align everything around a singular idea. But every medium, every market, every audience is different and requires customized, personalized, localized solutions. The only way to achieve synergy is to ensure that all of your marketing teams around the world share a common understanding of what the brand stands for, and cut local teams loose to do what they do best."

- Jonathan Chajet

"It is impossible to come up with an intelligent global formula that fits every market. The challenge is to come up with one analytic framework that fits all of your target countries, a consistent logic that can be used across the map. Once that's in place, it really comes down to each media in a given market driving that strategy cost effectively."

- Rex Briggs

Nose and Ears

French and Hispanic people indulge in the nose twitch, snort or sniff, to express alertness, disapproval or disdain, respectively.

Portuguese tug their ear lobes to indicate tasty food, though this gesture has sexual connotations in Italy. In Spain the same action means someone is not paying for their drinks and in Malta it signifies an informer.

It is best to recognize these signs, but not to embark on the risky venture of attempting to imitate them.

(Richard Lewis, When Cultures Collide)

Arab Women Out of Shadows

Girls from Saudi Arabia were not even allowed to go to school until 1964. Now, some 55% of the kingdom's university students are female.

Similar trends can be seen elsewhere. In Kuwait's and Qatar's national universities, women now make up fully 70% of the student body.

Across the wider region, the average time girls have spent in school by the age of 15 has increased from a mere six months in 1960 to 4-5 years today.

Tunisia has narrowed the literacy gap between young men and women by 80% since 1970. Jordan has achieved full literacy for both sexes

(Source of materials used in this issue: *The Asian Wall Street Journal, BusinessWeek, When Cultures Collide, Mysticism, Money and Madness)*

ASIAN WRAP-UP

MALAYSIA:

The country's economy surged 8% in the second quarter, with growth recorded in nearly all sectors.

SINGAPORE:

The Singapore government recently announced that it is raising payments to couples who have children. Under the new scheme, the government will offer parents:

- US\$ 1,750 for having their first child
- US\$ 10,500 for a fourth child.

The current scheme, providing, U\$\$ 5,250 for second child and U\$\$ 10,500 for a third child will remain in place. Maternity leave will be extended to 12 weeks from eight with government covering the cost of the extra four weeks.

ASIA: Through July, inflation has been the rise throughout Asia. Consumer prices climbed in South Korea, by 4.4%, a 16-month high, Indonesia by 7.2% and in Thailand by 3.1%.

Reactive Cultures Where Are They?

Japan belongs to the group of reactive or listening cultures, the members of which rarely initiate action or discussion, preferring first to listen to and establish the other's position, then react to it and formulate their own.

Reactive cultures can be found in Japan, China, Taiwan, Singapore, Korea, Turkey, Finland and other East Asian countries.

In Europe, only Finns are strongly reactive, but Britons, Turks and Swedes fall easily into "listening mode" on occasion.

Reactive cultures listen before they leap. They are the world's best listeners in as much as they concentrate on what the speaker is saying, do not let their minds wande,r and rarely, if ever, interrupt a speaker while the presentation is going on.

KEY-Zen International

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KEY-Zen International Business Insights is published monthly by KEY-Zen International exclusively for managers and senior level executives who are dealing with their global partners or who are involved in international business.

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