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Real Madrid Club de Futbol in 2007: Beyond the Galacticos, Chinese Version

China

Demographic Characteristics

1.51 billion population
The projected growth rate for 2015 is 0.5%

China

Political/Legal System

The People's Republic of China is run by a President and Vice President that are elected by the National People's Congress

China

Economic Characteristics

China is the 2nd largest economy in the world according to GDP

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In 2012 China's GDP current prices was at 8.227 trillion USD and their GDP per capita was \$9,161.97

China's GDP is expected to increase by a range of 7-7.4% in the next four years

China's GDP per capita is the 91st lowest in the world

China's economy during the last three decades has transformed into a market-oriented economy with a booming private sector

China

General Statistics

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In China's population only 13.4% of people are below the poverty line and they have an unemployment rate of 4.1%

45.3% of China's economic structure is industries
China's economy grew 7 times as fast as America's over the past decade



China

Demographic Characteristics

1.351 billion population

The projected growth rate for 2015 is 0.5%

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China is currently nearing a stage five on the demographic transition chart; meaning that their death rate is higher than their birth rate

As of July 2013, 46.7% of China's population were between the ages of 25-54 years old

95.1% of their population is literate

China bases literacy off the definition that age 15 or older can read and write

China

Political/Legal System

The People's Republic of China is run by a President and Vice President that are elected by the National People's Congress

The president's term of office is five years

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The government in China is powerful and centrally controlled

The Communist Party of China (CPC) holds defining influences over the country's people, politics, development and foreign relations

China

Market Characteristics

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The Chinese consumer is eager to experiment with new brands, products, and services

Chinese consumers are unwilling to pay high prices for abstract added value to products

The purchase criteria is guided more by getting quality for the money spent, than by the image of the company or product that is acquired

Chinese consumers do not have very clear distinct perceptions about Western companies, their brands, and products

Chinese consumers are price sensitive but brand conscious

China

Infrastructure

China spends about 50% of its GDP on investments in: roads, bridges, trains, ports, technology, factories, and office buildings

By 2025 China will pave up to 5 billion square meters of road
China has an ambitious plan to merge nine cities around the Pearl River Delta

In 2010, China unveiled the world's fastest bullet train which connects China to Shanghai and Hangzhou

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China has an extensive five-year plan to bridge the divide between the urban and rural areas

They have 16 major shipping ports with a capacity of over 50 million tons per year

China has more than 2,000 ports

China Human Resources

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- Chinese HR management practices have experienced immense changes with the transformation of the Chinese economy from a traditional state-controlled one to one that is more open and market-orientated.
- Employment and hiring decisions are largely influenced by top level manager preferences and the importance of Guanxi in the workplace.
- Compensation systems are usually linked to performance, skills and job levels in most businesses.
- A key factor in Chinese performance management is the moral aspect of assessment, like having a good work attitude, team spirit, and diligence.
- The goal setting process in performance management/assessment is very rare in Chinese businesses, which is unlike other traditional Western systems, and few Chinese enterprises have goal setting integrated into their performance management system.