Brief Course Description
In the last three decades, China has become an economic powerhouse and one of the biggest markets in the world. Its economy has undergone fundamental changes and become intertwined with that of Hong Kong and the rest of the world. Thus, it is pivotal that business students understand the China’s economic, social, political, cultural and legal environments and how these factors may affect the Chinese consumers and marketing strategies and practices employed by both local and foreign firms. The course explores the historical transformation of the China’s economic and market environment, consumer groups, and marketing strategies as well as other challenging issues such as segmentation and positioning, standardization vs. adaptation, channel relationships, and business ethics to inform management decisions.

Aims
The purpose of this course is to familiarize the students with the historical transformations of China as a transitional economy and the current challenges in marketing for international businesses operating in China. This course aims to help students to integrate and apply the concepts and principles of marketing management to the environment of Chinese mainland. The course aims to support the assurance of the Business Programme level learning objectives through case studies and group projects to enhance the student learning in communication, analytical, and cross-functional skills.

Learning Outcomes
Upon the completion of the course, students will
1) comprehend the fundamental changes that have occurred in China in the past decades in terms of its economic, business and marketing environment; (LO1)
2) examine the role of China’s economy in the region and Hong Kong; (LO2)
3) understand how the political, social, cultural and legal environments and social systems in China affect business operations; (LO3)
4) have an in-depth understanding of marketing environment and marketing strategies and practices employed by both foreign and Chinese firms; (LO4)
5) have sufficient knowledge on how to deal with challenging issues in China such as channel relationships and business ethics; (LO5) and
6) be able to develop a marketing plan for the Chinese mainland based on the understanding of China’s economic environments, business practices, and marketing systems. (LO6)

Indicative Contents
1. Overview
Chinese Market and Marketing.
Market structure, and opportunities and challenges. Economic and social reforms, China’s status in world trade. Foreign investment environment in China.

2. Geography, demography, political economy and social culture in China market
Hong Kong’s economic relationship with the mainland, Interrelationships between Hong Kong and the China Market.
3. Marketing Environment and the Development of Marketing in China
Import of western marketing thoughts, Era of brand management and international marketing

4. Chinese Consumer Revolution I
Demographic, psychographic characteristics and segments of Chinese consumers

5. Chinese Consumer Revolution II
Geographic and Regional Segments of Chinese consumer

6. Entry, expansion and exit strategy for Chinese Market
Key and hot industrial sectors to enter, expansion and exit modes, success and failures.

7. Marketing Mix in China I: Product and branding
Product offering, branding, localization in China and the rise of Chinese brands

8. Marketing Mix in China II: Channels
Sales and distribution channels in China, the segments and evolution

9. Marketing Mix in China II: Advertising and Pricing
Advertising Pricing and Promotion methods in China

10. The Rise of E-commerce and E-marketing
The Development of China internet, E-commerce, Mobile-commerce and E-marketing

11. Fintech, Sharing Economy, Artificial Intelligence
The introduction of Fintech, Sharing Economy, Artificial Intelligence and how new tech is shaping marketing practice

Business Practices, Consumer Protection, Marketing legal frame, Corporate Governance, Social Responsibility and Crisis PR

Teaching Method
The course will be conducted in two parts every week: lecture and seminar/discussion. In the lectures, students will be given the historical background and up-to-date information on the business environment and viable marketing strategies in China. Teaching materials such as videos and current business news on China will help students to be updated on the dynamic aspects of China marketing. In the discussion seminars, students will make presentations and conduct discussions related to the topics or cases. Group presentations help to solve marketing strategy problems for a specific company and enhance students’ teamwork spirit and presentation and communication skills.

Measurement of Learning Outcomes
1. Continuous assessment via individual classroom participation and group leading discussion of selected topics and company cases requires students individually or in teams to explain the applicability of concepts, theories and principles of formulating and implementing marketing strategies for the China market. (LO1, LO3 and LO4)

2. Case study via a group project requires team to conduct a market research report to address ethical, cultural and legal issues of doing business in Chinese mainland where appropriate. (LO5)

3. Case study via a group project also requires team to develop a marketing plan to develop marketing objectives, identify the problems, and devise strategies to implement different aspects of a company’s strategic marketing for the China market. (LO6)

4. Case study presentations require students to present findings to critique groups and the credibility of the presentation plus the ability of the team to answer questions are assessed. The case study report is assessed for logicality, flow or argument and feasibility of recommendations in the setting of marketing in the Chinese mainland. (LO6)

5. Final examination with short answers and a case study assesses comprehension of, and ability to describe and to apply marketing concepts, theories and principles with a particular emphasis on the Chinese mainland. (LO1 and
Assessment of Learning Outcomes

(1) Continuous Assessment: 50%
   Participation (10%)
   Group Assignment (Leading discussion) (15%)
   Group Project (Presentation + Report) (25%)

(2) Final Examination: 50%

Total 100%

Assessment Methods

<table>
<thead>
<tr>
<th>Assessment Methods/Tasks</th>
<th>Weight</th>
<th>Course-Intended Learning Outcomes (CILOs)</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>1</td>
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<tr>
<td>Class participation</td>
<td>10%</td>
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<tr>
<td>Group Assignment Leading Discussion</td>
<td>15%</td>
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<tr>
<td>Group Project</td>
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<tr>
<td>-Oral Presentation</td>
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<td>-Written Report</td>
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<tr>
<td>Final exam</td>
<td>50%</td>
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<td>TOTAL</td>
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Dishonest Practice: Students shall be aware of the University regulations about dishonest practice in course work and the possible consequences as stipulated in the Regulations Governing University Examinations.

Required/Essential Readings

Recommended/Supplementary Readings

Module I. Transitional Economy:


Ten forces forging China’s future- McKinsey Quarterly

Module II. Marketing Environment and Development


Lee, Barton et al (2002), Marketing Research in China

Schmitt, Berndt (1996), Who is the Chinese Consumers?


Chinese consumers: Revisiting our predictions- McKinsey Quarterly

Here comes the modern Chinese consumer- McKinsey

Why China’s consumers will continue to surprise the world-McKinsey

Five keys to connecting with China’s wired consumers-McKinsey

Mapping China’s middle class-McKinsey

Module III. Entry and Marketing Strategies for China


Cui, Geng (2007), Marketing Planning in China


Module IV. Internet and New Technology
China’s e-tail revolution: Online shopping as a catalyst for growth-McKinsey Global Institution

China’s digital economy: A leading global force- McKinsey

The age of analytics: Competing in a data-driven world- McKinsey

Using Analytics to Turbocharge China’s E-Commerce Performance

Module V. Marketing Ethics

Lan, Xinzhen (2005), Famous brands lose face, http://en.ce.cn/Insight/200507/22/t20050722_4251010.shtml
<table>
<thead>
<tr>
<th>Week/Date</th>
<th>Contents/Readings/Cases</th>
<th>Lectures/Groups</th>
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</thead>
<tbody>
<tr>
<td>1. 18/01</td>
<td>Course Introduction</td>
<td>Outline</td>
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<tr>
<td>2. 23/01</td>
<td>Introduction: Why should we focus on China?</td>
<td>Lecture 1</td>
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<td>Group Formation, Project Assignments and Guidelines</td>
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<td>3. 30/01</td>
<td>Module I. Geography, demography, political economy and social culture in China market</td>
<td>Lecture 2</td>
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<td>The mainland-Hong Kong Link</td>
<td>Lecture 3</td>
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<td>4. 6/02</td>
<td>Chinese New Year holiday</td>
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<td></td>
<td>8/02 Chinese New Year holiday</td>
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<tr>
<td>5. 13/02</td>
<td>Leading discussion: Challenges and Opportunities for Hong Kong</td>
<td>Demo</td>
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<td>Module II. Marketing Environment and Development</td>
<td>Lecture 4</td>
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<td>6. 20/02</td>
<td>Consumer Markets in China I: Demo-socio-psychographics</td>
<td>Lecture 5</td>
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<td>Leading discussion</td>
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<td>7. 27/02</td>
<td>Consumer Markets in China II: Regional Markets</td>
<td>Lecture 6</td>
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<td>Leading discussion</td>
<td>Group 2</td>
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<td>8. 6/03</td>
<td>Module III. Entry and Marketing Strategies for China</td>
<td>Lecture 7</td>
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<td>Leading discussion</td>
<td>Group 3</td>
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<td>9. 13/03</td>
<td>Marketing Strategies I. Product Management and Branding</td>
<td>Lecture 8</td>
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<td>Leading discussion: Marketing Heroes in China</td>
<td>Group 4</td>
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<td>10. 20/03</td>
<td>Marketing Strategies II: Sales and Distribution</td>
<td>Lecture 9</td>
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<td>Leading discussion</td>
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<td>11. 27/03</td>
<td>Marketing Strategies III: Advertising, Promotion and Pricing</td>
<td>Lecture 10</td>
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<td>Leading discussion</td>
<td>Group 6</td>
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<td>12. 3/04</td>
<td>Module IV. E-commerce and E-marketing Strategies</td>
<td>Lecture 11</td>
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<td>Module V: Marketing Ethics</td>
<td>Lecture 12</td>
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<tr>
<td>13. 10/04</td>
<td>Group Project Consultation</td>
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<td>12/04 Group project presentation: Groups 6 &amp; 5</td>
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<td>14. 17/04</td>
<td>Group project presentation: Groups 4 &amp; 3</td>
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<td>19/04 Easter holiday</td>
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<td>15. 24/04</td>
<td>Group project presentation: Groups 2 &amp; 1</td>
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<td>26/04 Review for final exam.</td>
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<td>Softcopies of group projects in Word due, with all your full names on the front page. A softcopy of your group project report and the PDF file of your ppt (all under 5MB) should be emailed to me by the end of the day on May 1st (24:00PM).</td>
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<td>16. 1/5</td>
<td>Labor Day</td>
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Leading Discussion

1) The purpose of leading discussion is for you to lead the class in extending and supplementing, but not repeating the lectures, and in discussing the issues related to the topic and the discussion questions (including but not limited to) that your group has chosen.

2) Thus, your group need to be well-prepared by 2a) doing in-depth research on the topic, 2b) finding relevant examples of consumer segments, companies, and brand/products, 2c) exploring the emerging issues and trends, and 2d) providing an update of the contemporary Chinese markets, to illustrate your points (except when you already have a case of a company as a topic). Applications of the concepts and/or theories you have learned to discussing the issues in depth are expected.

3) You have about 60 minutes to review the materials (articles and short video up to 5 minutes), if any, and to do the presentation and leading discussion, to address the issues and answer all the questions (not necessarily in the original order).

4) To ensure the participation by your audience, you may engage the class in any creative ways of choice, such as Q&A, group discussion and report, games, role-playing, debate and contest, as you see fit with respect to your topics. Please remember that leading discussion is for you to “lead” the class in “discussion,” not your group only doing the presentation. Thus, how well you encourage the class to engage in the discussion, exchange of ideas, and present diverse views and opinions, is just as important as your own presentation. The two aspects will be weighted equally – the class should be two-sided and interactive.

5) You may look into various places when you conduct such research including library databases such as Proquest and prominent consulting and marketing research companies such as McKinsey & Co., Gallup, Economic Intelligence Unit, and Ernest & Young and many online resources such as YouTube. These websites and companies frequently release research findings of studies on Chinese consumers and marketing in China.

6) The leading discussion should pay attention to and shall be evaluated on the following aspects.

1. Preparation: __________________________ (20)
   Reviewed materials
   In-depth research
   Address questions
   Relevant findings/feedback

2. Organization: __________________________ (20)
   Systematic coverage
   Dynamic & involving
   Verbal presentation
   Participation by class

3. Quality of Discussion: __________________________ (20)
   In-depth discussion
   Divergent views
   Examples of brands & Cos.
   Meaningful conclusions/closure
   Audience response

TOTAL ___________________________________→ __________________________ (60)