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CONSULTANTS, CLIENTS AND CHINESE CONTEXT: MANAGING BRANDS IN CHINA

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ABSTRACT:

The Creative sector in China has, in keeping with the economy, experienced a sustained period of rapid growth. However, the sector is still relatively immature and practices and understanding of the management of brands and client accounts are continuing to develop.
Current Brand management practices tend to have evolved from western models and may not be as appropriate to a Chinese cultural and business context. Both clients and consultancies have become increasingly aware of the value of brands and the importance of effective management. This paper examines the current state of development of the Brand consultancy sector in China. It examines the cultural context of business in China, the nature of client and consultancy relationships and the sector within the PRC. Through a series of case studies it examines the nature of the relationships between clients and consultancies. Comparing the experiences of Chinese clients using both local and International agencies and the experiences of international organisations attempting to enter the Chinese market and their experience of working with Chinese agencies. It examines cultural and business relationships between creative partners, draws comparisons from the UK sector and suggests recommendations for improvements.

A structured programme of research has been undertaken to assess the sector and a series of interviews have taken place with industry practitioners in order to establish the following:

1. The nature of the Brand consultancy sector in China. Its history, culture, scope, practices and the nature of individual consultancies and client organisations
2. To understand the process of Brand and relationship management in a Chinese cultural and business context and to examine the differences in experience between client organisations commissioning either local or International consultancies.

The study concludes with an evaluation of the Chinese cultural and business context and its relation to the Brand management process and evaluates this in terms of the expected scenarios suggested by a variety of theoretical perspectives.

RESEARCH METHODOLOGY

The field of enquiry is still in a state of relative infancy, there is little in the way of secondary information about the creative sector in China in general and brand management in particular, there are no established trade or professional associations and it is difficult to obtain financial data about companies. In keeping with research into emerging fields a case based methodology was adopted (Eisenhardt, 1989; McCutcheon, Meredith, 1993; Yin, 1994; Easton 1995; Dubois, Gadde 2002). Using a series of structured interviews (Patton, 1990; Marshall & Rossman 1999; Hughes 2002).

In order to investigate potential differences in cultural context and practice the case studies were selected to identify 4 contrasting situations within the emerging creative field of brand management within China:

    i)   International Client, International Agency
    ii)   International Client, Local Agency
    iii) Local Client, International Agency
    iv) Local Client, Local Agency

Some of the respondents did ask that the information given would remain confidential, the decision was taken to make all case studies anonymous.

Interviewees were all asked the same series of questions by online interview, Patton (1990) suggests that there are six types of typical questions, to elicit information relating to either; experience or behaviour, opinion or values, feelings, knowledge, sensory experience and background or demographics. In keeping with this methodology, the questions set for the interviews were designed to generate information relating to respondents background, experience, opinion, values and feelings.

BRAND MANAGEMENT IN CHINA

Like much of the Chinese economy the history of branding and brand management in China is undergoing significant change. The history of branding does go back as far as the 1940's and 50's. Indigenous brands such as Fonghuang and Haiou were established and achieved high levels of recognition and appreciation however they have tended to disappear since the opening of the economy since the 1970's and the influx of international brands. It is difficult to ascertain data pertaining directly to the brand consultancy sector however there is information available in related fields. For example, Wong (2001) identifies three separate periods in the development of modern Chinese graphic design: pre 1979 when it was considered ideologically unsound, rapid development and change during the 1980's and a more mature, internationally influenced style emerging in the 1990's. International influences have played a major role in development in particular from Hong Kong and the rapid increase in the availability of information has fuelled the changes.

Evidence of the development of strong indigenous brands can be seen through examples such as Chery, Haier, Lenovo and Tsingtao, amongst others. Chinese brands are becoming established as International brands and it is a trend that will surely continue (Ambler & Witzel, 2004). It is a sector that is recognised within government; the Shanghai authorities have targeted the development of fifty local brands within the next three to five years. Most of the major International agencies are now established in China, the worlds top creative companies have offices in both Shanghai and Beijing in addition to other regional presence. There is also a flourishing domestic consultancy sector that is working with both Chinese and International clients. The advertising sector is expanding at a rate approaching 18% per year over the last five years. There is still possibly a great deal of potential for further expansion, the sector currently represents 1.4% of GDP in China whereas, for example, this is 3% in the US.

Predictions for Chinese advertising expenditure give an insight into the scale and potential of the sector. China is predicted to become the fourth largest market in the world for advertising in 08/09.

Year	Expenditure (Bn Euros)	Growth %age per year
2007	12.0	18.3
2008	15.1	25.6
2009	17.0	12.3
2010	19.4	14.5

Zenith Optimedia March 2008

However there are still sectors of the economy in particular smaller and medium sized companies that remain somewhat underdeveloped in their use of branding. There is also the suggestion that the fiercely

competitive nature of business in China has led to a concentration on short - term profit at the expense of longer - term brand investment and that much of the academic and professional thinking within the sector is based on western models and has yet to encompass a Chinese context.

CULTURAL AND BUSINESS CONTEXT

The concept of Culture is both broad and multifaceted; there are many definitions of the term and its derivatives such as popular culture or mass culture. It is generally assumed to involve a set of shared values and attributes of a given group, the individual's relationship within and to that culture and the acquisition of those values and attributes by its members. Soley and Pandya (2003) identify over one hundred definitions settling on culture as a 'shared system of perceptions and values, or a group who share a certain system of perceptions or values' adding, 'sub – groups, shared beliefs and basic assumptions deriving from a group' whilst accepting that no definition can be definitive given the evolving and dynamic nature of culture.

Despite difficulties over precise definitions it is widely accepted that differences in business cultures exist and that the inability to understand cultural differences can lead to unfortunate business consequences. Attempts to evaluate differences in cultural values have to be undertaken with great care, systems can be criticised in that they can tend to lead to stereotypical perceptions of cultural groups. Also it has to be remembered that in any 'national' definition of business culture that not all individuals within that culture will behave in the same way, however the existing models do give a basis upon which an examination of business culture can occur.

Terpstra and Sarathy (1972) and Gesteland (1999) identified five main attributes, elements and traits of culture: technology and material culture, language, education, religion and business ethics, adding law and politics, social organisation and aesthetics (2000). Hofstede (1991) identified the individual's acquisition of cultural values as the collective 'programming of the mind'. He has developed a system to evaluate cultural difference initially based on four dimensions: low vs high power distance, individualism vs collectivism, masculinity vs femininity and uncertainty avoidance. This framework was modified following work by Michael Harris Bond, which identified a further dimension initially called Confucian dynamism to explain the differences in thinking between East and West. It was subsequently incorporated into the original framework as a fifth factor, 'long term orientation'.

The methodology of the study involved a collection of data from initially 64 countries with additional studies of various groups of particular individuals from professional or market segments. The method of data collection was by questionnaires and that method may have influenced responses, individuals from highly individualistic cultures may answer questionnaires in a different way than those from collective cultures. The accuracy of the data can also questioned in relation to its immediacy. Cultures are dynamic and change over time, few more rapidly than China's in recent years and some of the studies are somewhat dated. This is of particular significance in relation to the data on China, the speed and degree of change in the economy and potentially the culture has been immense. There is also the potentially significant degree of difference in attitudes between urban and rural populations and between generations. The experience of the younger Chinese urban population is very different to that of its predecessors and will no doubt lead to changes in both business and social cultures. However it is felt that a broader comparison of the differences in Chinese and Western cultures, based on the available data, is of value within this study.

Low vs High Power Distance

The power distance index attempts to measure the extent to which the less powerful members of organisations and institutions accept and expect power to be unequally distributed. It does not measure an objective difference in power distribution but rather how that power distribution is perceived. It demonstrates inequality, defined from below, suggesting that the level of inequality within a society is endorsed by followers as well as leaders. The power distance rating varies from 95 (Guatemala) to 11 (Austria), China has a high rating of 80, significantly more than its East Asian neighbours and the European and US scores of usually between 30 – 40. This suggests high levels of acceptance of inequality, which would tally with the acceptance of hierarchy and unwillingness to criticise those considered more senior. In high power distance countries autocratic and paternalistic relationships are

more readily accepted, in low power distance cultures relations are more equal, with subordinates being more ready to critique and contribute to decisions. In Confucian philosophy all relationships are considered unequal and this situation is accepted, leaders are expected to be directive whilst also taking an interest and looking after the interests of subordinates.

Individualism vs Collectivism

The individualism index attempts to measure the degree to which individuals are integrated in to groups or will choose their own affiliations independently. Ratings vary from 91 (USA) to 6 (Guatemala). China rank lower at 20 than the Asian average of 25, Asian and East Asian countries generally score high for Collectivism (low Individualism) with Western countries being opposite. In Collectivist societies individuals are integrated into strong groups that will protect members in return for loyalty to the group. In individualistic societies groups still have importance however ties are looser and people are expected to look after themselves. Collectivist orientations would produce individuals who are happy to work in teams and who seek consensus, being happy to sublimate individual needs to the greater good of the group. A perceived negative, from a western viewpoint, would be a perceived lack of individual initiative.

Masculinity vs Femininity

This index isn't without its more controversial aspects in terms of its gender generalisations. It attempts to measure the extent to which traditionally 'masculine' values are respected in society in relation to 'feminine' ones also termed Quantity vs Quality of life index. The values are defined from a western perspective, 'masculine' would include: ambition, assertiveness, competition, the acquisition of material wealth, 'feminine' would include: caring, modesty, interested in the quality of life. There are fewer regional differences between east and west with examples of highly 'Masculine' cultures in both East and West (China, Japan, UK, Germany) and 'Feminine' (Sweden, Netherlands, Thailand, South Korea).

Uncertainty avoidance

This index attempts to measure the level of a society's ability to cope with uncertainty and ambiguity. Uncertainty can cause anxiety, some cultures try to minimise uncertainty by developing rules and structures for example about religion and food.
Again national profiles do not demonstrate strong regional differences in terms of East and West. Some cultures (Mediterranean, Japan, Latin America) score highly for avoidance, others (China, UK, Singapore) score relatively low scores suggesting less anxiety about ambiguity.

Long vs short - term orientation

The long - term orientation index was added to the existing four dimensions, as the original study was unable to distinguish an importance difference in thinking between East and West. The index measures a cultures 'time horizon', the importance attached to the future as opposed to the past and present. Fewer nations have been assessed in this category than the original four however 'Eastern' nations occupy the five highest scoring places for long term orientation with China having a significantly higher rating than the next nation (118) with Hong Kong (96). Europe and the USA are amongst the lowest rankings UK (25) USA (29). The values of a long - term orientated culture include persistence or perseverance, overcoming problems with time. They also include the ordering of relationships by status, thrift, and having a sense of shame. In short term orientated cultures values that are important are said to include: personal steadiness and stability, protecting 'face', respect for tradition and the reciprocation of greetings, favours and gifts. The scores would suggest that these would be seen to be of little value in China and the East in general however this may require further investigation as it would seem that these are also values that are important to eastern cultures. As indicated above, this needs to be considered in light of the rapid changes within the economy and potentially the culture of China. The younger generational and urban attitudes are potentially very different to those of older or rural populations and generalisations are difficult to make with any degree of accuracy.

In attempting to assess the nature and differences in Chinese brand management consultancy between 'international' and 'domestic' scenarios it is important to address issues of cultural and cross cultural communication. Communication is directly related to culture, and culture cannot be understood without the study of communication and vice versa. As with the concept of culture it is important to recognise the dangers of national stereotyping when discussing communication styles, though as with culture in general, communication styles and norms have often developed over centuries and distinct differences are apparent. However they are not necessarily common to all individuals within a culture and they are dynamic and continually evolving. It is also important to recognise that there is no one 'international' culture.

There are two theories concerning cross-cultural communication. The convergent theory maintains that increased communication between cultures will lead to increased cultural uniformity, the sharing of knowledge leading to mutual understanding. The divergent theory (Chee and Harris, 1998) maintains that an increase in cross cultural communication will lead to greater understanding of cultural difference and that Intra cultural differences have to be understood as well as cross cultural communication. In terms of the International brand consultancy sector in China, participants have a diverse range of cultural backgrounds from all the leading international economies.

Since every cultural pattern and every act of social behaviour involves communication, it has been widely studied as a means of transmitting ideas and as a facet of culture. It involves the sharing and transfer of knowledge between individuals and cultures. Schramm (1955) defines communication as 'the process of establishing a commonness or oneness of thought between a sender and receiver'
Ferraro (1990*)* classifies communication into three types:
  a) Verbal (use of words with specific meanings)
  b) Paraverbal (tone of voice)
  c) Non-verbal communication.
It also has various additional components, including, encoding, message and channel, receiver, decoding and receiver response in achieving successful communication.

Verbal /Paraverbal Communication

Jandt (2004) argues that in Western culture the process of verbal communication is described as involving a speaker, the speech act, an audience, and a purpose. Whereas in Eastern cultures Confucian philosophy defines communication as an infinite interpretive process where all parties are searching to develop and maintain a social relationship. Western cultures tend to be 'low context' in nature relying on explicit verbal content to communicate whereas Eastern cultures are often 'high context', communication relies on the overall situation to communicate and interpret messages. Difficulties in verbal communication can occur because of cultural traditions and norms. In many Asian cultures it can be considered offensive to say 'no'. In wishing to be polite and not wanting to offend or cause embarrassment individuals will avoid directly negative statements or criticism of others. Western cultures also vary in this respect with some having more linguistic 'coding' than others. However in Germanic cultures for example, being direct and 'honest' is seen as a positive attribute, believing that the fact is the most important issue and that emotion and diplomacy should not deflect the truth. There is less coding of language within Germanic business culture and direct speaking is seen as a sign of respect for others, which can be interpreted by other cultures as rudeness and a lack of diplomacy.

Non-verbal Communication

Non-verbal communication can convey emotions, attitudes and feelings shown in different gestures and motions, and these may be transmitted unintentionally by facial expressions, gestures, and body language. Body language has a direct impact on communication between people from different cultures and they are often particular to cultures and therefore less likely to be recognised by people who are from different cultural backgrounds. Body language is open to additional misinterpretation as it is difficult to clarify meaning in the way that can be done verbally. Western cultures vary in the extent

and nature of body language, for example Italians are considered to be very demonstrative in terms of their use of physical gestures. By western norms Chinese people are considered to have 'impassive' or undemonstrative body language. However this is more a result of misinterpretation of body language rather than an absence of it, physical reactions are shown by Chinese people however western people are not skilled at interpreting it, similarly Chinese people may find the physical gestures of many westerners to be unduly overt.

CLIENT CONSULTANCY RELATIONSHIPS

Customer relationship management (CRM) and Key Account Management have attracted a lot of attention within the Chinese advertising industry, given the increasing competition between international and local suppliers. Globally there is the trend to create large multifaceted groupings through mergers and acquisitions of organisations, smaller independent companies still exist providing specialist expertise. All the major Global agencies have a presence in China however there are also many local independent agencies able to provide clients with what may be perceived as a more personal service. Foote (2003) examines the relationship from a western perspective and suggests a number of key elements to the nature of the relationship between agencies and their clients. He identifies the primary client motivation to be an aversion to risk. In normal circumstances client representatives are not usually the principal decision maker within their organisation. They are likely work for a large organisation and have to report to more senior colleagues. Delays to schedules can have major repercussions to other organisational activity and hence there is a justifiable concern about unpredicted events and disruption of agreed schedules. The nature of the design and creative process can also be difficult for some clients to understand, the 'product' can be rather subjective in nature and the implied risk in its deployment. The second element that has a major effect on client consultancy relationships is the difference in attitude that the parties have to the design or creative work. He suggests that clients have to be more concerned with the bigger organisational picture and financial implications whereas the consultancy can become overly concerned with the production of great work, which may not always be appropriate to the client needs. He advises designers to think of an assignment as a means to an end rather than being an end in itself. The third concern in the relationship relates to the clients perception of the service received, the ability of the agency to deliver appropriate design quickly, whereas by inclination and training designers can constantly rework and tweak designs to improve them. He also stresses the importance of 'chemistry', the vital nature of the personal relationship involved in the management of the service, whilst suggesting that not all clients can appreciate the difference between adequate and outstanding creative work, they can appreciate which suppliers they prefer to work with. The final factor is that of budgets, creative organisations have a reputation for somewhat vague budgeting practices often because of the imprecise nature of the 'product'. There is also a tendency to price low to gain a commission and recoup more later on in a project. Clients also can be either arbitrary in their setting of budgets with little understanding of actual costs or be wary of setting budgets in the fear that the consultancy will find a way of spending the full amount. He suggests that the key to business success as opposed to design success, for a consultancy, is not in producing great work, but in having happy clients. Obviously the two would ideally be in tandem unfortunately this is not always the case.

CASE STUDIES

Case study A (International Client, International Agency)

The agency is part of a worldwide creative group originally founded in the USA, the client is an International cosmetics company again of US origin. The interviewee was based in the agency and of Chinese nationality. As with many international accounts based in International agencies within China, the decision over which agency to use was taken on a global basis and the China based division of the organisation did not have to compete for the business.

The level of brand experience of both agency and client were highly developed and the brand management process was well established and implemented. The client adopted a mixed branding strategy within the Chinese market with production of specific Chinese market material as well as use of global brand imagery. It was felt by the interviewee that the brand management process was robust, research was undertaken, briefs prepared in a strategic manner and the processes of development of creative work were formalised and accountable. The levels of understanding of both business and

creative strategy were high within both client and consultancy and the relationship was considered to be successful. Both parties were familiar with process and terminology. The perceived negatives were that such structures could inhibit creativity and that there was a lack of flexibility to the relationship. The interviewee felt that the process was time consuming in comparison to his experience with local clients and that the agency could not respond quickly to any immediate needs. In terms of the predicted theory it is difficult to generalise as 'International' can cover a wide variety of cultural differences however, given the client and agency background they will be treated as USA biased in terms of organisational and cultural background. It was felt that the client organisational structures were quite hierarchical though it was less so in the agency. Decisions were taken in a highly collective fashion, with agreement and consensus being sought, contradicting the expected theory, it was felt that there was a respect for expertise however that the decision making process could be rather slow. This however, could be reflective of the organisational imperatives of global multinational corporations rather than being indicative of cultural decision making processes. The organisational culture can be described as masculine as predicted, with financial considerations being central to all decisions. There were higher levels of uncertainty avoidance than would be predicted from theory for a US based organisation, however it is not clear to what extent this is caused by the complexity of the business model rather than national cultural influence. As in some of the other cases the orientation in terms of timescale contradicts the theory. Clients were described as having a long - term orientation for their brand and were less likely to demonstrate those qualities associated with short term orientation, respect for tradition, saving face and reciprocation of gifts. Verbal and non – verbal communication were clearly understood as can be expected within organisations having a shared culture. The expectation of clients within the relationship was not entirely as predicted. The client was risk averse and time conscious as predicted. Although personal 'chemistry' could occur it was felt that sufficient professionalism would suffice and that social relationships were not necessary although they could be considered desirable. The negotiating of financial details was clear and well managed, again contrary to the predicted theory.

Case study B (International Client, Local Agency)

The agency is a local established independent agency with one main office, the client is a global automotive brand with an established Chinese presence. The interviewee was a partner in the agency, the client was a Chinese national working for a local branch of the organisation. The agency won the account through a competitive pitch, it was chosen for its specialist local knowledge. The interviewee described the initial relationship as problematic. It was felt that the client had extremely high, possibly unrealistic expectations at times and that there was a considerable learning process involved in the communication between parties. The agency did not have the systems expected by the client and has developed them in tandem with the client. The relationship is now described as stable and close after initial difficulties were overcome. It has to be noted however that the agency facing client staff are Chinese and that the cross – cultural communication issues are more likely to be felt within the client organisation rather than between agency and client. In terms of the experience in respect to theory it was felt that hierarchy was important to both Client and Agency and that decisions within both had a collective feature, the cultures of both appear to be generally masculine, as predicted. The levels of uncertainty avoidance appear to be in line with the values predicted for the cultures involved. In terms of orientation towards timescales the evidence is again somewhat contradictory. The client, from an ostensibly short - term culture, appears to have a long - term perspective, certainly in relation to their brand. The agency, from an apparently long - term culture seems more preoccupied with the immediate, certainly in the initial stages of the relationship.

There were examples of communication difficulties of verbal and non - verbal communication and it took effort by both parties to resolve these difficulties over time however it is not clear whether these difficulties were of a cultural nature or related to procedural expectations. The client expectations of the relationship were generally as predicted by theory. The client was risk averse and as a 'western' client they did attach an importance to deadlines in preference to the quality of the work once it was judged to be acceptable. The 'chemistry' of the relationship became key to its eventual success. Initially this was problematic, however over time relationships became strong and confidence developed. There were expressions of confusion between parties over financial arrangements however the details were not provided

Case study C (Local Client, International Agency)

The agency is part of an International network originally established in the USA, the client is a market leader in the hair care sector and the interviewee was based within the consultancy and of Chinese nationality. The initial nature of the relationship appears to be similar to that found in the case A. The agency does not make any major adaptations of its procedures or structures in dealing with local clients. The Client communication and project management systems are established and formal however ultimately the relationship was not successful. The opinion of the agency was that the client had insufficient awareness of general business and brand strategy. The interviewee considered that expertise to be present within the agency however that the client was insufficiently aware of long term business issues and was overly reliant on the agency providing a quick creative 'fix' rather than engaging with fundamental issues.

In relation to the results expected from theory it confirmed that the Chinese client had more hierarchical structures than the agency. Decisions were taken by the client's senior management and were not as collective as the associated theory would suggest. The client was of a predominantly masculine perspective and not unduly risk averse, in keeping with theoretical expectation. However as with other cases the most significant departure from the expected theory relates to the perspective of time orientation. The agency perception was that it, as an international agency from an ostensibly short - term culture had a more heightened long – term perspective than that of the client. It was felt that the client had not appreciated the value of its brand and wished to concentrate its marketing energy into the merchandising of its product. There seem to have been significant difficulties in terms of verbal and non – verbal communication, however details, unfortunately, are not available. There was a breakdown in relations between the parties that appears to be related to expectation and relative experience. Client C was subsequently purchased by an International company and the product lines have now been rebranded successfully although by a different agency.

Case study D (Local Client, Local Agency)

The Agency is an independent across the line consultancy, well established with one primary Shanghai based office. The client is a fashion brand that was undergoing a difficult trading position when it first approached the agency in 2002. The interviewee was a partner in the agency of Chinese nationality. The client had chosen the agency after a period of rapid growth. It decided to select a local agency after an unsuccessful attempt to use an International agency. The interviewee suggested that there were several reasons for the lack of success between this particular client and its former International agency. In keeping with many Chinese client organisations the client lacked the required personnel and agency facing functions of International clients. It was therefore unable to cope with the demands and processes of the International agency. Misunderstanding and communication difficulties ensued and hence the subsequent breakdown in relations between the two and the cancellation of the account. In working with a local agency the consultancy was able to ascertain the particular needs of the client and provide the necessary expertise.

In terms of Hofstede's cultural dimensions it would appear that there is contradictory evidence within the case in relation to the study. As predicted the Chinese client did have hierarchical structures and deference was generally shown by subordinates to superiors and superiors took care of those in their charge. However decisions tended to be taken by superiors rather than in the collective fashion predicted by the theory. Similarly clients were individually perceived to be decisive to the point that it could potentially be detrimental to the decision making process with insufficient consultation taking place. The prediction of China having a high masculinity rating was not necessarily supported in this case, decisions were judged to be made for idealistic reasons as long as the business case was fundamentally sound. As predicted by the theory levels of uncertainty avoidance appear to be confirmed. However the most striking difference was in relation to long versus short - term orientation. Cultures with short - term orientation are said to favour and place importance on the saving of 'face' the reciprocation and importance of gifts and respect of tradition. Although China scores as the highest nation in terms of long term orientation, what are described as short term values are also highly important in China. Both verbal and non – verbal communication was clear as can be expected given the cultural similarity. The working relationship between the two is described as being very close with strong personal relationships and with both parties working hard to develop the relationship. The brand management process is described as flexible and does not rely on an established model; instead it is tailored to the individual client requirements. Client expectations are not necessarily as the western model. Although risk averse, clients do appear to be more interested in the quality of the work and will

more readily accept delays if the creative work is of a high standard. Personal chemistry is also important though to an even greater extent. Clients expect to spend social time with agencies and personal relationships are highly valued. The financial expectations of both sides do seem clearer than in the western model. This case suggests that financial matters are negotiated openly by both parties, there may be disagreements however initial agreements are adhered to.

CONCLUSIONS

An estimation of whether the theoretical predictions are either confirmed as predicted, contradicted or not proven can be made as follows,

Criteria	Case study A	Case study B	Case study C	Case study D
High vs low Power Distance	Confirmed	Neither/not proven	Confirmed	Confirmed
Individual vs Collective	Contradicted	Neither/not proven	Neither/not proven	Contradicted
Masculinity vs Femininity	Confirmed	Confirmed	Confirmed	Neither/not proven
Uncertainty avoidance	Contradicted	Confirmed	Confirmed	Neither/not proven
Long vs Short term orientation	Contradicted	Contradicted	Contradicted	Contradicted
Verbal Communication	Confirmed	Confirmed	Neither/not proven	Confirmed
Non - Verbal Communication	Confirmed	Confirmed	Neither/not proven	Confirmed
Risk Aversion	Confirmed	Confirmed	Neither/not proven	Confirmed
Time vs Quality	Confirmed	Confirmed	Neither/not proven	Contradicted
Chemistry	Contradicted	Confirmed	Neither/not proven	Confirmed
Budgets	Contradicted	Neither/not proven	Neither/not proven	Contradicted

Although client relationship management (CRM) in the advertising and branding industry in China has received increasing attention, in particular from academia, CRM research highlighting the role and nature of cultural difference is still a relatively new and largely undocumented phenomenon. At this stage conclusions can only be tentative and there is a need for more research to be undertaken however it is possible to draw some general observations.

International agencies are rapidly establishing themselves within the major cities and competing with an expanding local sector. International clients are clamouring to establish themselves in one of the worlds most rapidly expanding economies and local companies are becoming increasingly aware of the importance of branding and the value of brand recognition. As can be expected with a relatively new situation, the relationships between international consultancies and clients and their local counterparts are evolving rapidly. International agencies and clients bring experience and knowledge of formalised procedures and processes, they have a high degree of understanding of the value of branding and the nature of brand strategy. As with all national cultures, China has its own particular business culture, rules and conventions. As can be seen from the case studies there would appear to be evidence of cross cultural communication issues. In cases A and D where there are no major cross cultural issues (International to International and local to local) communication appears successful with no issues of misunderstanding. Communication is very different in the two scenarios, with case A being rather formal, relying on established processes and professional relationships, case D being far more flexible in terms of systems with strong personal and social contact between parties.

In the cases where cross - cultural communication can be expected, B, C and the previous experience of client D, there are issues relating to business practice and communication. It would appear that International agencies and clients have a greater degree of expertise and experience however their Chinese counterparts are learning quickly and are developing models appropriate to Chinese circumstances.

There appears to be less synchronicity between Chinese clients and International agencies and International clients and Chinese agencies, it would seem that there are different expectations on both sides and that awareness of cultural difference is a requirement of business success. In terms of the relationship of the findings to those expected from the established theory, conclusions can only be tentative from such a limited survey. There do appear to be differences in the acceptance of hierarchy between 'western' and Chinese organisations with Chinese organisations being more hierarchical in nature. The evidence relating to levels of individualist as opposed to collectivist attitudes is contradictory to that predicted in theory. In the examples illustrated above there is evidence of Chinese organisations and the individuals leading them acting in a very decisive and individualistic manner, whereas 'western' organisations have been seen to seek consensus prior to decision making. Other general observations from the studies suggest that the nature and importance of personal relationships is more important to Chinese business culture than 'international' culture however the most striking departure from that suggested within the accepted theory comes in attitudes to long versus short term orientation. Evidence from the survey suggests that those values associated with short term cultural values are also important within Chinese business culture whereas they are not valued highly within ostensibly short – term 'western' culture. Similarly 'western' organisations have been found to be appreciative of long – term brand strategy, whereas some Chinese organisations have sought short – term, immediate success. The reasons for this situation are not yet clear, however, it is evident from the study that this is a field that requires further investigation; there is little documented material of what is still a relatively new phenomenon.

It has to be stressed however, that it is difficult to extrapolate information from the case studies that can be accurately applied universally, to the complex issue of cultural context and cultural interaction. Within the studies there were issues and factors influencing client - consultancy relationships that could be considered to be more important influences on relationships than culture. Personal relationships, the longevity of the relationship and the differences in practice, tradition and attitudes to business practice were also important factors influencing relationships. It is evident however, that differences in cultural approaches do exist and that there is certainly a need for additional study into and testing of the theoretical models currently available.

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