

## China Market Development

- China remains the fastest growing large market in the world
- Generating more GDP growth annually than combined total of Japan, Germany, and U.S.
- 400M+ people in families with purchase power equivalent annual income of USD50K or more
- Approximately 1 billion more with potential to reach middle class status

CCA's 3-Phase Strategic Market Development Process guides clients to a fact-based China market development program customized to each client's business needs and strategic priorities. Each phase can be structured as a stand-alone project or combined into a comprehensive market program.

### Strategic Market Development Process

#### Phase #1: Market Research

Develop a detailed and comprehensive profile of China market drivers, buyer behavior, channel options and competitors. (See next page for process and action flow.)

Go/No-Go Milestone

#### Phase #2: China Market Strategy and Execution Plan

Conduct a strategy option analysis and develop an implementation plan along one of four general strategies, based on Phase #1 market intelligence.

Direct Market  
Penetration or  
Operation

Indirect Channel or  
Distribution

Technology Licensing  
Partnership

Acquisition

Go/No-Go Milestone

#### Phase #3: China Market Penetration Plan Execution

Provide execution support of the plan developed in Phase #2.

##### China Centric Implementation Services

Representative Office

Sales Channel  
Development

Hosted Rep office or  
Trading Co.

Trading Co. Subsidiary  
Start-up

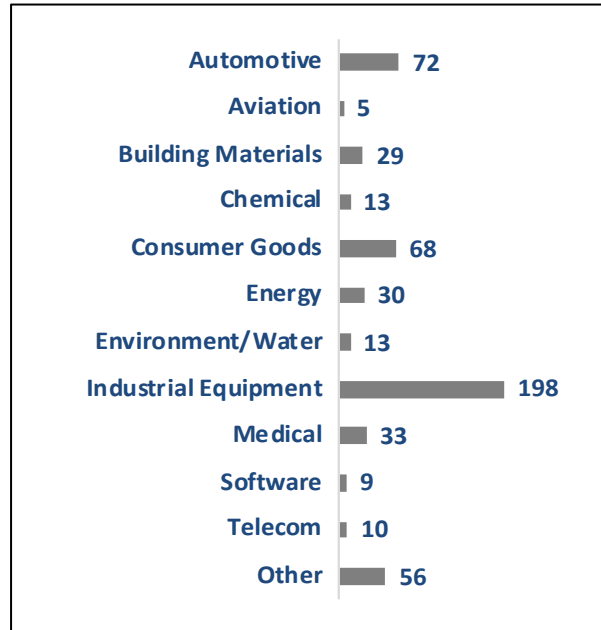
Sales Force Recruiting

Bonded Logistics

WFOE Start-up

Licensing and  
Partnering

## China Centric has broad industry project experience:



### Task #1: Define Research Objectives:

CCA works directly with client management to identify and target the exact competitive intelligence required to provide the right information input to the client's strategic decision. The deliverable is a detailed project specification. Sample topics of investigation include:

- Market size, growth history and expected future trends
- China customer preferences and buying behaviors
- Channels to market and regional market differences in China
- China regulations impacting the target products or service space
- Product and service features that may need to be refined for China
- Competitors – domestic, foreign, current, and/or emerging
- Key third party market influences
- The role local content plays in target market success
- Other important competitive intel as defined for the specific project

### Task #2: Field Data Collection:

CCA executes the field data collection using a combination of internal CCA resources and external subcontracted China market research specialists and network subject matter experts depending on the needs of the individual project.

### Task #3: Analysis and Reporting:

CCA professionals apply our operating experience in China to provide effective insights, analysis and reporting based on field data collected and provide an overview analysis of the pros and cons of alternative execution strategies.

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SHANGHAI

ZHUHAI

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