



EDC GUIDE

# CULTURAL TIPS FOR DOING BUSINESS IN CHINA

How to maximize your success

Canada

  
TAKE ON THE WORLD

When it comes to business etiquette, what's acceptable in one country, may not be in another. To be successful in international trade, you need to understand the culture, traditions and business habits of your clients and partners in your target markets and adapt your communication and business strategies accordingly.

It could mean the difference between winning — or losing — a contract.

China is the world's second-largest economy and is Canada's second most-important trading partner. Annual bilateral trade is around \$100 billion and Canada exports about \$25 billion worth of goods to China every year. Aerospace, agri-food, cleantech, mineral ores and fuels are among some of the key opportunity sectors.

Despite trade tensions in recent years between our two countries, the relationship has been longstanding and certain aspects of it remain strong and resilient.

The Canadian government was one of the few nations to assist China by shipping 16 tonnes of personal protective equipment (PPE) such as clothing, face shields, masks, goggles and gloves to help the country during the peak of the pandemic. The thoughtful gesture by Canada was reciprocated by China, which donated tens of thousands of PPE in March 2020.



# CHINA



## 5 KEY ETIQUETTE TIPS

- 1. Title is important.** When seeking meetings with a senior member of a Chinese company, ensure that your firm reciprocates by having someone with a corresponding level of seniority at the table, which is a sign of respect. Never show up late to a meeting—the Chinese value punctuality.
- 2. Don't force an outcome out of a meeting.** Chinese businesspeople prefer to take their time to consult internally. If a meeting reaches an impasse, allow more time for the other party to confer or consult. Focus on listening and reflecting rather than trying to force a resolution during a challenging conversation. Ask neutral, supporting questions to get a difficult discussion back on track. Being genuine and interested often encourages others to engage and elaborate.
- 3. Be sensitive about local cultures.** China is an extremely diverse country with more than 50 different ethnic groups. Local culture and heritage can be very different from the West. Do your research or consult with your local business contacts ahead of attending any public event or delivering a speech. Certain jokes, gifts or colour of attire can be offensive if presented or worn for the wrong occasions.
- 4. Avoid discussing politics.** Politics is a very sensitive subject in China and should be avoided. If you're asked to comment or participate in a discussion on politics, decline politely and tactfully.
- 5. Giving face.** Disagreement is inevitable, especially during business negotiations. Chinese businesspeople rarely confront their counterparts or hosts openly or publicly, even if the latter may not necessarily be correct. If you find yourself in the midst of a disagreement, be respectful and try to find a private environment to continue your negotiations.

## FOR MORE INFORMATION

- › Visit [EDC's country and market info page](#) about China.
- › Visit the [Canadian Trade Commissioner pages](#) about China.
- › Click here to visit the Canadian Chamber of Commerce pages for [Beijing](#), [Shanghai](#) and [Guangzhou](#).
- › Reach out to [Chia Wan Liew](#), EDC's chief representative for Greater China.

## INTERESTING FACTS ABOUT CHINA

- › The largest human migration in the world happens annually just prior to the Chinese Lunar New Year, where upwards of 400 million people leave their urban homes to visit their families in more rural parts of the country.
- › Mount Everest (8,849 metres) is the highest point in the world and is located in Himalaya mountain range in the autonomous region of China between Tibet and Nepal.
- › China is tied with Italy with having the most number of UNESCO sites. Some of China's most celebrated sites include the Great Wall of China, which spans thousands of kilometres long, the Terracotta Army, which consists of 8,000 clay soldiers built to protect an emperor's tomb, and the Forbidden City, the oldest imperial palace in the world.
- › China currently has the longest network of high-speed rail track in use, more than 22,000 kilometres in aggregate, which is more than the rest of the world combined.
- › China has invested heavily in the development of renewable power generation infrastructure and has the largest number of wind and solar farms in the world. It's also the world's largest electric vehicle market, both in terms of sales and production.
- › China has the largest share of the global e-commerce market. Just the Top 4 Chinese e-commerce companies account for almost 50% of the global sales conducted online.
- › Bet you didn't know that fortune cookies originated in San Francisco—not China—and the kiwifruit, which is often associated with New Zealand, is actually native to central and eastern China and originally known as the Chinese gooseberry.
- › The Yiwu Market, located in Zhejiang province, is the largest wholesale market in the world. The market covers an area of 4 million square metres, almost 30 times the size of the Pentagon, housing 75,000 booths where 100,000 suppliers exhibit 400,000 kinds of products. Close to \$50 billion worth of goods were traded at the market in 2020, which is double the amount of export from Canada to entire China!
- › Giant panda bears are native to China, and every panda in zoos located around the world belongs to China.

## ABOUT EXPORT DEVELOPMENT CANADA

### Who are we?

Export Development Canada (EDC) is Canada's export credit agency. Our job is to support and develop Canada's export trade by helping Canadian companies respond to international business opportunities. We're a self-financing Crown Corporation that operates at arm's length from the Government of Canada.

### Disclaimer

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