

SME SPEAK

In our new monthly SME feature, FOCUS presents interviews with leading British SMEs that have successfully broken into the Chinese market. Each company will share advice on approaching the market with greater confidence and deal with the challenges of doing business in China. This edition looks at TEAM Tourism Consulting in an interview with its Managing Director **Roger Carter**.

What do you do in China? In China we do what we have always done in other parts of the world – consultancy on any aspect of tourism destination development, management and marketing. This is normally for tourist boards or development agencies, but sometimes for private sector companies.

However, in China, we also see a need and an opportunity for facilitating inbound and outbound marketing – in other words, bringing together tourism destinations on the one hand with companies that can help them promote and distribute in the marketplace. This can apply in either direction, helping Chinese destinations to attract visitors from western markets or helping destinations elsewhere to attract Chinese tourists. We also see demand for professional development services such as conferences, training and study tours for destination and resort developers, managers and marketers.

Why China?

Both inbound and outbound tourism has seen huge growth over the past 20 years. China's tourism products and services have developed enormously, but they still have a long way to go to meet international customers' requirements in terms of the type design and quality of tourism developments, the quality of service and environmental impact. There is a real need

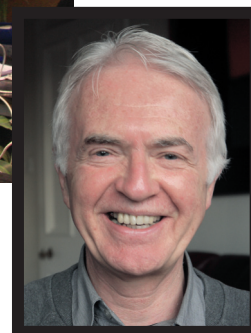
SME STATS

Year Founded: 1997
 Year Entered China: 2008
 No. of Employees: 1 + 40 Associates
 Industry Sector: Tourism
 Contact: rogercarter@team-tourism.com

There is a real need for good strategic and operational planning at the local, provincial and national level, although this concept is not always well understood by senior managers in China.



LEFT: Roger Carter discusses plans for the Daming Palace Heritage Park; BELOW: Roger Carter, TEAM Tourism Consulting's Managing Director



for good strategic and operational planning at the local, provincial and national level, although this concept is not always well understood by senior managers in China.

Six years ago, we were evaluating and comparing the opportunities for expansion in China, India and the Middle East, but then a specific opportunity came our way in China and we have never looked back. Happily, one contract followed another.

What are the biggest challenges you face as an SME in China?

Breaking into the Chinese market is never easy, particularly when there are established players. Guanxi is fundamentally important and takes time to develop, particularly for a foreigner. Negotiating for new business can be costly and time consuming. Clients are often very slow to make decisions and may want to meet with you several times. They may want you to undertake some preliminary work for free in order to better define the project. Even when proposals or reports have been agreed with the lower ranks of officials, it can take weeks or months before the 'big boss' takes a decision.

Also, clients are not always

interested in methodology or the number of days

required for various consultancy tasks. Rather they want to know about you: you must demonstrate (preferably in pictures) that you have the experience and expertise to do the job – and they want an overall price for the job, which they may well want to negotiate. There is also a widely recognised problem of obtaining the final payment, no matter how good the deliverables.

What advice would you give an SME about to enter the Chinese market?

Don't think you can parachute into China and apply Western ways of doing business. It won't work. You must have a trustworthy Chinese partner.

What do you think the future holds for your sector in China?

The potential for growth of inbound, outbound and domestic tourism is huge. So too are the opportunities for tourism consultancy, providing you are willing and able to play by Chinese rules. 