

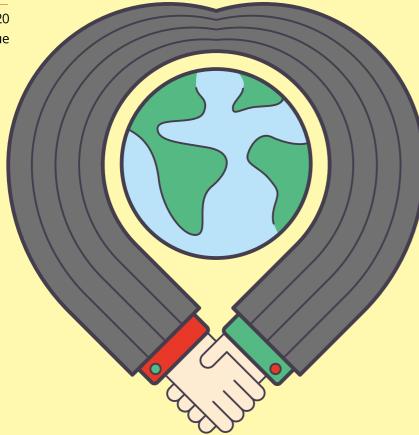
How Did Chinese Manufacturers and Buyers Survive the COVID-19? The China's Experience

How Does Jin Ling Succeed in China's Mask-making Chaos? A Full Guide on Foreign Brands Entering Chinese Market via Crossborder Ecommerce (1-Policies)



**MIC Magazine** 

September 2020 Launching issue



# Connect Chinese suppliers with international buyers

First-hand experience from global buyers
Interesting stories about Chinese enterprisers and Chinese entrepreneurs
Useful information about Chinese market and Chinese business culture

# Words from MIC CEO

By Li Lei



The word "trading" is simple. You give out something, and you get something back. Trading could never be done alone. No matter how good you are on one side, you can never ignore the other.

It is the same to us. Our magazine has been quite successful back in our homeland. The Chinese version of our Focus Vision magazine is famous and highly commended among the Chinese trader community. For the past 12 years, our readers have been receiving a nice copy of our magazine every 2 months, and they will ask for it if not. It is interesting to see that although plenty of information is posted online, our traditional way of printing and distribution still occupies a central place in readers' heart. We can proudly tell everyone that we are the best and probably the only enduring paper magazine in Chinese B2B industrial community.

However, that is not enough. We cannot really call it a trader magazine until it is presented in the global trader community. There are many interesting business people to be interviewed, large amounts of hot business issues to be discussed, and some stereotypes to be clarified. Also, there are various voices from suppliers to be heard. Let's enjoy a magazine that gives you viewpoints you don't often see, that is run by buyers and for buyers, and that you will fall in love with it.

In this exciting startup, we give special thanks to Mr. Ben Chu, a renowned KOL in Chinese trader community and an experienced sourcing professional, for taking the initiative and coming up with this exciting idea. We are glad to share his startup experience and the true understanding of the buyer mentality. As a founding Chief Editor, Ben will work closely with both sides of the world and bring us insightful and meaningful content.

The magazine is a new chapter of not only our magazine that is proved domestically successful, but also the Made-in-China.com group. I am looking forward to hearing more stories from you about business with China. Please send your contributions to email address: intmag@made-in-china.com. I hope every success in this great start.



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# Contact us

### 读者热线:

el:

+86 (0)25 5793 7920

### 征稿信箱:

Email:

intmag@made-in-china.com

李磊 / 曹睿

Consultant:

顾问指导:

Li Lei/Cao Rui

### 主编:

朱子斌

Editor in Chief:

Ben Chu

### 副主编:

田可

Associate Editor in Chief:

Tian Ke

### 执行主编:

陈丽丽

**Executive Editor** 

Chen Lili

### 首席编辑:

T.J. Izumi / 牛雨晗

Deputy Editor:

T.J. Izumi / Niu Yuhan

# 创意总监:

陆之敏

Creative Director:

Lu Zhimin

# 编辑:

孟令舒 / 何小荷

Editor:

Meng Lingshu / He Xiaohe

设计:

### 葛世林

Design:

Ge Shilin

Follow us on social media

in MIC Magazine – International Focus Vision

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# To Start With



As a businessman, I usually look into the economic aspect of the projects I spend time on. Yet, this one is virtually a guaranteed loss if I purely judged from the P&L perspective. Nevertheless, it is one of the most exciting adventures I could have in my career and I couldn't express enough how much I love to see this happening. I've been dreaming of running a media that speaks the voice of a community that I love - Chinese manufacturing, and this magazine fits perfectly to fulfill this aspiration.

The magazine which is now holding in your hand does come in a time of great difficulty. Despite the significant uncertainty we faced in the whole 2020 Spring and Summer, I could still proudly present you this very first made-in-china.com group (Focus vision group) business magazine promptly, thanks to the editor team in Nanjing led by Ms. Tianke. A very special thanks to Lili, who is the actual one to overcome a lot of challenges and promote coordination to make this magazine possible.

I sincerely hope this magazine could give you a pleasant reading experience. A lot of business insights, some cultural stories plus handy and useful information is our recipe. Now please enjoy it.

Ben Chu
Editor in Chief

# Sincerely and Slowly, We Tell China's Story to the World



Although business world has its own rules of operation, effective communication is still an indispensable part of business activities. As well as being able to clearly convey messages, you need to listen in a way that makes others feel heard and understood.

This seems to be more difficult when it comes to the field of cross-border trade, where your customers come from diverse cultural backgrounds, but it is not necessarily the case. Language may create some obstacles and cultural differences could be deep-rooted like walls, but regardless of nationalities or races, it is our sincere pursuit of understanding and communication that matters.

MIC Magazine is founded to create a platform which allows international buyers and Chinese suppliers to listen and be heard. Steven Covey said, "Seek first to understand, then to be understood". Nowadays, China and its entrepreneurs are more confident to tell their stories, while overseas clients and friends are more willing to understand them from multiple and diverse perspectives. It is the time to create a publication to help them build trust and mutual understanding between each other.

In 2020, as the world is facing difficulties and challenges brought by the epidemic, more people may have gained a deeper understanding of the concept of "a community with a shared future for mankind". I believe that the scope of our concerted efforts will grow larger and larger and ultimately expand to the entire planet. China has been doing its part and acting responsibly for the world. Our team, too, shall try our best to do what we should do, to ride winds and break wayes.

Thank you for all your support for the upcoming English publication. I hope that it will always uphold the original intention of running this magazine, telling the story of Chinese enterprises, Chinese entrepreneurs, the connection between global buyers and Chinese suppliers and Chinese business culture in a sincere way. Patiently and slowly, we are telling our story.

Together, we look forward to bringing you surprises.

# Tian Ke

Associate Editor in Chief

# We Are the World



We are creating a new business magazine - MIC. These three simple letters do not only stand for Made-in-China.com, but also microphone, a device for us to speak out our voice. China-made products have been constantly building bridges between China and the world, but there are still huge gaps needed to be filled due to the cultural differences.

Business is business. Returning to the essence of trade, it is the exchange of goods and services. Trading across the border allows each country and region to exert their own advantages, so that an optimal configuration can be achieved all around the world.

Chinese suppliers have been providing products and services to make the world a better place while Chinese costumers are eager to buy foreign goods. Large amounts of transactions flow both ways and there are opportunities everywhere in the Chinese market. The first movers have succeeded. We want to share opportunities with you.

Before entering the Chinese market, you must be very curious how Chinese produce, trade, communicate and live. We invite these first movers to share their successful experience and stories. Of course, we also look forward to yours.

Today, business is no longer just business.

What have we all experienced in 2020? The COVID-19, avian, influenza, swine fever, fire, locust plague, earthquake, flood disaster, riot......

Once again, we feel that human beings are so small. I am very lucky that I can work normally, have delicious three meals every day, and travel freely throughout the country. But I know that in some corners of the world, people are suffering from unemployment, embargo, starvation and even death. The only thing we can do is to unite together.

Even though individuals who have different skin colors, speak different languages and live in different countries have different experiences with each other, the world is much more alike than different. We all pursue the same healthy, safe and happy life. We want to travel around the world to enjoy breathtaking views and we want to dance and sing in the sunshine.

Rabindranath Tagore once said: The world has kissed my soul with its pain, asking for its return in songs. Tomorrow, I hope everything will get better.

Wish you all the best.

Chen I ili

**Executive Editor** 

# Communication in International Trade



After Focus Vision has been operated for 12 years and has already had a good reputation among Chinese entrepreneurs, we decide to found MIC Magazine this year. The English publication has been prepared for a long time but it is worth the effort, because we hold the belief that effective communication has to be two-way, especially in cross-border trade.

Chinese export has been growing at a phenomenal rate and Made-in-China products seem to be everywhere in the world. However, it has always been a bias that China, the world's factory, only produces cheap and poor-quality products. This is what we are working against. We want to let you know what Chinese entrepreneurs, the connection between international buyers and Chinese suppliers, and Chinese business culture really look like, as long as you are willing to listen.

The magazine that you are reading now is written by buyers and for buyers. We are always more than willing to listen to your stories of doing business with Chinese suppliers. We provide this channel for you to share your first-hand experience and learn from each other. I believe that you are likely to be more successful if you read these articles which can guide you through the potential hurdles in the future.

I have been interested in intercultural communications and my experience of living aboard for six years tells me that it is possible for us to overcome the language and cultural barriers and communicate in a sincere way. I am honored to be part of the team and contribute to China's communication to the world.

I truly hope you enjoy the journey with us.

Niu Yuhan

Deputy Editor



# Connecting Buyers With Chinese Suppliers

What are global buyers' opinions on Made-in-China.com?
See their comments:



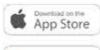
# Suvashish



U.A.I

Best way to connect with the suppliers from China. Based on your needs and demands you can choose the right supplier for your requirements to meet. Simple and solid platform.





0



Download Now and Grow Your Business





# Zahiruddeen sheik

\*\*\*\*

I am working with china from 20 years but at the beginning it was difficult to find a correct source. Now I find this site and made me easy to find anything with genuine suppliers.



All comments, both positive and negative, are the motive force of progress. Never forget why we started. Always be the bridge between you and Chinese suppliers.





# Abdallah

\*\*\*\*

I've been searching this kind of website for ever and I finally found it! Easiest way to find what you're looking for anything you want I recommend it.



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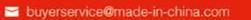








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# How Did Chinese Manufacturers and Buyers Survive the COVID-19?

# The China's Experience

By Ben Chu

Strict temperature test shall be carried out before entering the plant area.



Some said the virus is transmitted from wild animals, in particular bat, during the butchering or cooking process that people consume them as meal, while others said it could be some new form of evolution of regular flu virus. Neither of them are self-proved with sufficient evidence. What could be sure of is that it is definitely a shaky start for the world in this Year of Rat. By the time I put this topic on paper, most of the factory has already managed to restore their manufacturing operation, so to speak. Global buyers are receiving their long-awaited shipment. Although it is not up to expectation, the global supply chain is once again getting back to its very function. Being a

business coach for SME, I was asked many times to give my opinion to tackle with the difficult situation (one of them is honorably from Bloomberg news). From that, I have seen that Chinese SMEs have incredible capacity to achieve superior delivery performance - a commitment to their customer.

To give a comprehensive picture of the two sides of the business, I've also interviewed a Chinese supply chain manager who works in the local buying office of multinational company, about how she manages to deal with her desperate suppliers. Elaine Zhao is the business owner under the spotlight of this story. "It was like the hardest two months of my life.", the mother of 3 young kids said. "On the one hand, I was fighting to restart my factory production and comforting my customers. On the other hand, I had to help with my three children's online class. I went crazy". Every morning she was thirsted for news about latest policy development from at least three media: Weibo (the Chinese's twitter) for quick rumor and information, provincial government for news of policy which is usually ahead of the city, and of course, the city news for actual policy to be executed.

To make her employees back to the production line safely, she carefully planned her purchase of masks, thermometers and cleaner sprays at a reasonable price. In its worst, the price of masks is as high as a few US dollars per piece. If she cannot get this resource at a reasonable price, she would instead choose not to go into operation on that day - until new supply came in.

Workers are in very heavy demand. Less than one-third of migrant workers could return to their jobs due to travel restrictions. In that short period of time, factories competed for workers, skilled or unskilled. "That was expensive but relatively easy. I had some extra 'red pocket' for our own workers who are loyal to our factory. We make sure they won't get any better deal outside than ours", said Elaine. "Still, many of our workers were absent, and we hungered for more workers." She was innovative enough to create a new temporary form of "supply chain integration."

"One of our supplier bosses was "trapped" in Wuhan during the CNY, and so did the managers of his workshop since it is a family business. Their employees were working in the production line without a supervisor telling them what to do next. Therefore, we hired them to work for us until the travel restriction was lifted and the boss's family came back to their factory safely.

"It satisfied our need for labors and we paid those employees for him. We achieved a win-win result." During this period of time, Elaine were forced to employ a new tool to manage her crews- Alibaba's DingTalk a not-so-new product that focuses on intracorporate communication. It did an exceptional job in adopting itself to better support SME staff management during the situation. "Working completely online from home is something new. We have to change our way of teamwork, and this

added one more new challenge." The app helps her to visualize most data for "Cloud-office." Inspired by a very reputable business coach from HK, and despite all the difficulties, Elaine still managed to have her salesgirl work on getting in new customers - which generally takes time to turn into real paying customers. "We just take sales as a regular process".

The other side of the story isn't any easier. Karen, a sourcing manager of a well-known multinational corporate with headquarter in the US, had been going through the same challenge from a different angle. "The first week right after CNY was easy. We still got raw material inventory to work on, so the impact wasn't so bad at the beginning." Karen's company is manufacturing in Fujian province, China. For strategic reason they also manufacture in other Asian countries such as Philippines. "Our long strategized risk management measure bought time for us. We keep inventory in the raw material stage and this benefits us. There was no complaint from our production line."

However, her life was becoming less and less comfortable through the whole way. In the midst of it, she had to prioritize the demand from other manufacturing site around the world and made limited delivery - just enough to keep their production line operating.

She also helped different suppliers learn from and communicate with each other. Through her, supplier A in Jiangsu could learn from a successful reworking supplier B in Zhejiang on what they have done to hire and protect workers, or to show the government their readiness for getting rework approval. Also, she need to report to the headquarters weekly on the latest situation and roadblock. "With all the effort, we are able to restore most of our capacity. Some suppliers with higher level of automation or out of major affected zone could have even achieved 100% capacity by the end of Feb."

By the time I am close to finish writing this article, many Chinese cities have reported zero new cases for consecutive days. The optimistic atmosphere slightly dominates the mainstream. However, it is hard to ignore the fact that the impact of the global spread of the virus has hit directly to the root of many businesses. Followed by shop closure and flight termination, it is quite easy to expect the coming down-turn of the global economy. The trading business will, unfortunately, face another wave of challenge.



She is a girl who was born in a rural village and grew up with seven siblings.

She is also a business woman who runs a foreign trade company which conducts business across more than 20 nations.

Without a degree in business or trade, she manages to become a role model for many modern women. For her, there are always lots of stories to tell...

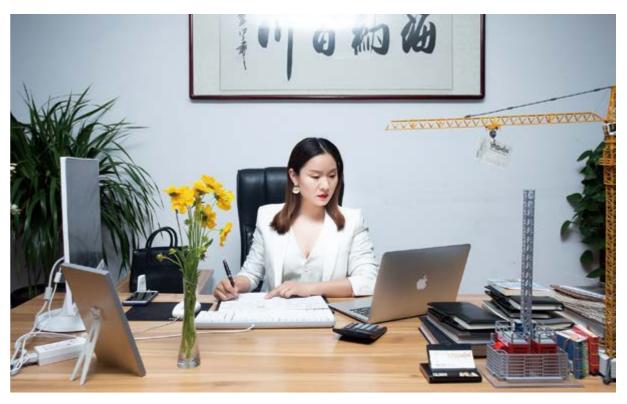
# Improve Herself in Every Way

Annie has seven sisters and brothers, bringing great living burden to her parents. In order to relieve their burden and give her sisters and brothers chances to go to school, Annie chose to drop out of university. There is a common saying in China, "Poor children are early masters." Annie entered the society when she was 21 years old while most Chinese students graduated from university at 23 or 24.

Annie started her career as a seller in a trade company specializing in domestic market. She was less educated than her colleagues, but she did not underweight the importance of knowledge and hard work. With her talents alone, she became an excellent seller and got paid over \$1,439 (≈RMB 10,000) per month. Earning above-average salary, she felt satisfied enough with her life.

However, as time goes on, Annie began to feel stressed. She wanted to achieve more: do some greater things such as transferring her focus from domestic trade to international trade.

Everything, even her life has changed since Annie travelled to Dubai. In 2015, it was a chance that Annie was invited to an exhibition in Dubai, before which, she hadn't attended any cross-border business activities. She got to know many things that she had never heard before. "I felt like I am a villager", she suddenly realized that she had many things to learn. She needed to do research on local products and also improve her language skill. The great challenge did not depress her but made her become full of ambitions.













After practicing English and Arabic for hours every day, Annie could gradually do business without language barrier. Besides, learning new languages improved her thinking skills and openness too. It became easier for her to adapt changes in her life. She drove 4 to 6 hours every day from Arabic to Ajman for business and in 2017, she finally set up her own company in Dubai.

Annie used to be a credulous girl. She treated it as a great personality until being betrayed by her 'friend', a Sri Lankan woman that Annie met in Dubai. This woman lied to her that she had great difficulty to operate the company and asked to borrow a large amount of money from Annie. As a businesswoman, Annie felt empathetic to her, and gave almost all her property to this woman without hesitation. She had never thought of betrayal would happen to her, but the fact was such in this case.

This experience made Annie hit the rock bottom and lose faith in everything including herself.

Nowadays, she feels grateful to this special experience. She learned from this lesson, stepped out of the Utopia and realized the cruel truth of the society. This sort of pain prompted her to learn the way to deal with people in business and society. "Trust stems from sincerity" became her principle and helped her grow into a successful business woman.

# The Spirit of Craftsmanship

In order to promote China-Made products, Annie went back to China, reorganized her company, stepped into construction field and participated the international trade field. For her, doing business with foreigners means that her behaviors and products would present China to some extent. Therefore, Annie has been paying much attention on their exported goods.

Although it was her first time to do business in construction, she hired several employees who are professional in this field. They travelled around China, visited hundreds of factories and compared their products with patience. Annie always carries a notebook with her to note down everything she learned.











Meanwhile, Annie also holds numerous meetings to decide the final products. She always tells her employees that they are working in a trading company, not a factory. They must conduct adequate market research and bring the best Chinese products and service to foreign buyers.

At present, with their unrivaled depth of experience in construction field, Annie and her team are trusted by the buyers from more than 20 countries to purchase the construction spare parts and equipment. The more love in this job, the more focus in this field.

# Office Lady: Get the Balance between Work and Life

If you have a tight schedule every day, what time will you get up?

Will you set an alarm in the early morning but grope for the snooze button when it rings and drift off again?

If I told you Annie get up at 4.00 am every day, what do you think? It sounds crazy, isn't it?





Let's have a look at the daily schedule of Annie:

Time	Activity		
Time	Activity		
4.00 am	Get up		
4.20am – 4.30am	Read a piece of long-form news article.		
4.30am-5.30am	Run outdoors and listen to podcast simultaneously		
6.30am-7.30am	Have breakfast		
7.30am-6.00pm	Work for a whole day		
6.00pm-9.00pm	Enjoy the spare time with family and friends		
9.00pm	Go to sleep		

Apart from the remarkable wake up time, going to sleep at 9pm is not achievable for most Chinese young people, who may just get off work or start night life. Annie has been following this schedule for two years although sometimes he also wants to be lazy like most people. Whenever she wants to break the schedule, some words would pop into her mind:" You have to improve yourself. If you stop, you will lose."

Nevertheless, Annie has a colorful lifestyle in her spare time. Mountaineering is her favorite way to kill time. She always feels excited and inspired when she stands on the top of the high and precipitous mountains. She jokes that her adrenal glands will produce more adrenaline when she challenges a more dangerous mountain.

Last year, Annie climbed a 5,395m snow mountain. The valley was hard and steep, and the surface was challenging. It took her two days to reach the summit and she even cried during the climbing. However, the feeling of "reaching the top of the mountain and holding all hills in a single glance" is precious. Moments like this encourage her to keep moving forward in her life and career.

"I don't think I am weaker than any male climber on the mountain or worse than any colleagues in the workplace. In order to be able to compete with them, I study hard and integrate physical exercises into my daily life. Only by doing these can I not regret anything in my life."

"I will appreciate myself at the end of my life for not giving up at a young age and living with all my might while I do live."

# New EU Regulations Send Shock Waves Through E-commerce, Retail and Trade

The European Union Council has just approved new regulations on market surveillance and EUwide acceptance of products that will forever change the way economic operators who are involved in placing non-food products into the hands of EU consumers run their business.

Compliance evidence should be collected from your suppliers.

# Mutual recognition

The European Union is about the free flow of goods, services and people in Europe. The practice however, is different: many local deviations to European legislation hinder the sales of consumer products in multiple countries.

Imagine that you can freely trade a product in the whole European Union, once it had been legally traded in one of the member states, only by adding a 'Mutual Recognition Declaration'.

That is exactly what the new Regulation (EU) 2019/515 'Mutual recognition of goods lawfully marketed in another Member State' is all about!

Does this mean that national deviations are no longer possible? No, they may remain in several cases, but they cannot hinder the flow of goods. Even if governments are solving the dispute between you and the local authority, you can still sell your goods. And any decision in such dispute must be the 'least restrictive decision possible'.

# Market surveillance and compliance of consumer products

The European Union aims to protect the consumer from products that are unsafe and harmful to their health, or have a negative impact on the environment. The practice is not as good as you would expect.

Tukes tested products from cheap online shops: nearly all of the toys, child care supplies and electrical appliances were dangerous

Recause consumers have been shopping at online sheps outside the EU increasingly often in the past few years, the Finnish Safety and Chemicals Agency (Tukes) decided to test the safety of products seld in these shops that are popular among finnish consumers. The results were alarming: only one item among the 32 toys, child care supplies, jewellery and electrical appliances purchased by Takes fulfilled European requirements, if the products were sold in Firstand, the shops would be obliged to collect them from the consumers. As for the cosmesics ordered, six products out of centrical naive the list of ingredients areginded in Furnore.

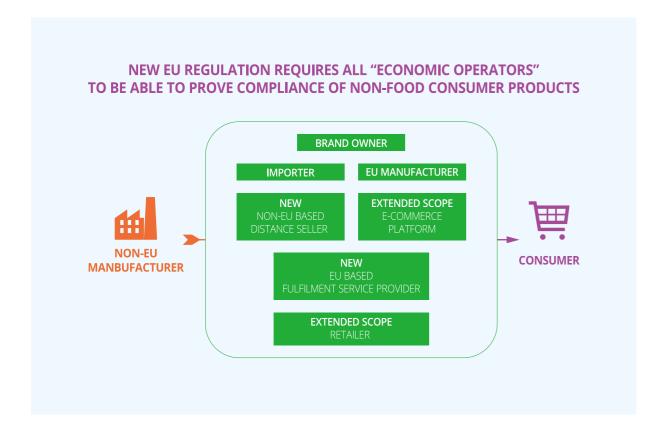
Source: Tukes, the Finnish Market Surveillance Authority

Non-compliant products also have negative effect on fair competition between businesses (1.2 million involved in manufacturing, 4 million involved in distribution) in the European market. 75% of notifications on non-compliant products concern imported products. Market surveillance by authorities is widely considered to be insufficient.

The new 'Regulation on Market Surveillance and Compliance of Products' provides answers to these concerns, including:

- Strengthening market surveillance, intensifying compliance controls
- ◆ Providing economic operators with clear, transparent and comprehensive rules
- Closer cross-border cooperation including with customs authorities
- Extend responsibilities from importers, manufacturers, brand-owners and retailers to fulfilment service providers

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and non-EU distance sellers that ship directly from e.g. China to the European consumer

As a result, companies like Amazon, eBay, AliExpress, Wish and many others, as well as the companies and individuals trading on these platforms, are directly affected. In the new level playing field, all players have an obligation to prove product compliance. The regulation increases the responsibilities for retailers and e-commerce platforms to the level of importer and brand-owner.

Imagine what will happen when market surveillance authorities can charge you with all the cost they have in case of a non-compliance!

Do you know what compliance evidence should be collected from your supplier?

Do you have an efficient way to collect, review, organize and share compliance evidence?

And for logistics companies: how can you prepare your customers to prevent unpleasant disruptions in logistics due to non-compliance at customs?

The new market surveillance regulation (EU) 2019/1020 was already approved on 20th June 2019 and will come into force in June 2021.

This looks far away. However, looking at what businesses need to implement to be compliant by 2021, one year is actually quite short. And online platforms are expected to start imposing the new rules significantly earlier to make sure they comply.

Large Ecommerce sales and fulfillment platforms including Alibaba, Amazon, eBay, Rakuten, Allegro and Cdiscount have signed the Product Safety Pledge, a commitment of online marketplaces with respect to the safety of non-food consumer products sold online by third party sellers. The Product Safety Pledge obliges these platforms to actively monitor and police the products traded on their platforms. New rules



The new 'Regulation on Market Surveillance and Compliance of Products' provides answers to these concerns.

are in the process of being implemented to ban noncompliant products or traders from their platforms.

### These are some of their main responsibilities:

◆ verify that the EU Declaration of Conformity (CE DoC) or any other relevant declaration has been drawn up

♦ ensure that all the technical documentation (technical

• ensure that technical documentation has been

- file) is available for 10 years

   cooperate with market surveillance authorities
- If you are active in the supply chain, this is your new reality!

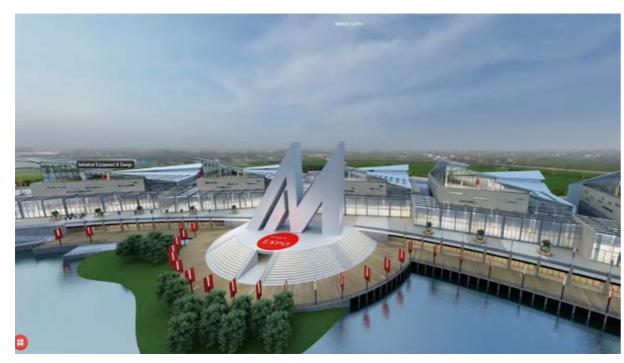


### Contact ProductIP



# SMART EXPO: **New Window of Global Trade**

By Meng Lingshu



The 3D Display Hall to help create an immersive experience

# The struggling enterprises during the pandemic

The year of 2020 is full of challenges. At the beginning of it, the appearance of COVID-19 cast a shadow over the whole world. The virus travelled around the world and have killed hundreds of thousands people like an elusive killer.

The spread of the dangerous virus has spooked international trade and threatened prospects for economic growth. Almost all Chinese factories lost more than half of their export orders and could not receive new inquiries. Workers were told to stay at home and protect themselves from the virus. The

global logistics were cut short as many countries enforced strict lockdown measures. They also restricted the movement of people which caused the cancellation or postpone of many pre-planned trade exhibitions.

Exhibitions are vital for suppliers to present products in front of global buyers. However, it is impossible to organize them amid the pandemic. The cancellation of offline exhibitions ruins many entrepreneurs' hopes that the amount of inquiries and orders could be recovered through expos. However, global economy cannot be trapped in this poor condition. Since March, as virus has been gradually controlled in China, many factories reopened with the permission of government and operated under the premise of workers' security.

According to BloombergQuint reports: Yao Jun, a petite 50-year-old woman, is the founder and general manager of Wuhan Welhel Photoelectric Co., a manufacturer of welding helmets and protective masks that exports to France, Germany and the U.S. She came back to work on March 13 after wading through approvals from four layers of government, including her local neighborhood committee, which took 15 days to assess Welhel's ability to prevent infections. "We can't afford to have a single one", Yao said in an interview at her factory. Every day the operation of the production line is crucial: Welhel was trying to catch up on orders it hadn't been able to complete in the first few months of the year, even as Yao wasn't sure her customers in locked-down overseas markets would be able to take the deliveries. She had no idea when more business would come in, given what's happening to the global economy.

# SMART EXPO: the new opportunity for international trade

It is well-known that shopping, working and socializing online are very common for Chinese people. The fast development of network communication technology gives Chinese foreign trading companies a ray of hope for recovering from the darkness of economic slump.

Made-in-China.com, a leading B2B e-commerce service provider in China, has been developing the technology of online expo since 2016. It created the original mode of "internet + expo" in China and named it as SMART EXPO. It combines the advanced technologies like VR, 360° virtual tour and graphic interchange format with abundant experiences of holding expos. It enables traditional expos go onto the internet platform, provide a place for suppliers present their goods and helps global economy survive the pandemic. Made-in-China. com has organized more than 300 SMART EXPOs so far and is still making the effort to raise it to the higher level.

# Futuristic techs of SMART EXPO:

SMART EXPO simulates the experience which buyers could obtain during the traditional expos. 3D exhibition hall and virtual booth create an immersive experience

for buyers. You can browse the pictures and videos of products which show on the "wall" of 3D exhibition hall, and step into the virtual panorama factory which is shot and produced via Made-in-China.com services for suppliers.



360°VR Factory Tour

If you become interested in a product, feel free to click the "meeting now" button to enter into the online meeting room and have a face-in-face chat with the supplier. The "E-business Card Exchange" function allows you to exchange your identity e-card with them during the period of meeting.



Exchange your E-commerce Card anytime

You can obtain a further understanding about product in the meeting room through "Visual Highlight", which is an advanced technology developed from augmented reality. When the suppliers turn on this function, they can share the real-time screen with buyers and explain the details via circling the relevant components and parts.

You might be worried about the language barrier. Our research and development team has already considered about it and applied instant multilingual



Circling the products that you are curious about via Visial Highlight

translation technology in the online meeting room of SMART EXPO.

The technology supports translation in voice and text in 11 languages. . The general manager of Made-in-China.com, Li Lei introduced that, "We aim to lower the barrier of global trade, enable all buyers to do business with Chinese suppliers and find their ideal products in SMART EXPO."

Moreover, do not feel upset if you enter the online meeting room and find the supplier is unavailable at that present. The system would record your visit and remind the supplier to come back to the meeting room as soon as possible.

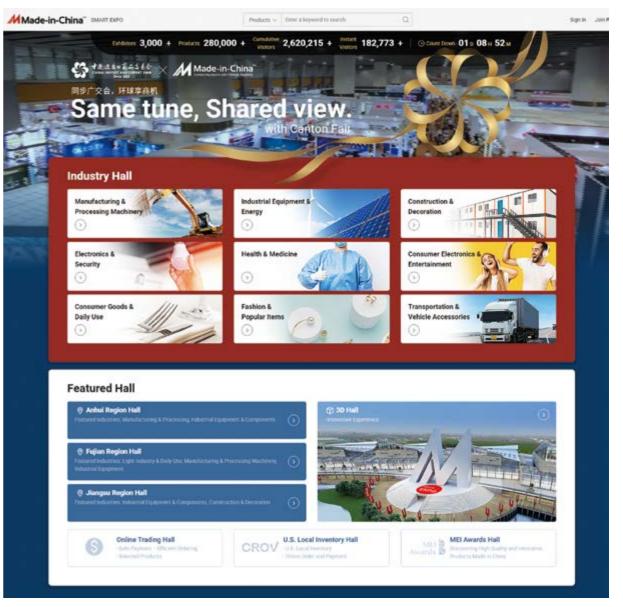
360 virtual tour and video display of products can give buyers a direct understanding of suppliers' enterprise, scale and quality. It also provides services to help buyers to verify the qualification of suppliers. Buyers can check the 'Audit Reports' to get authentic information about suppliers and their products in SMART EXPO.

# Hand in hand with Canton Fair

The China Import and Export Fair ("Canton Fair" or "The Fair") is a comprehensive international trading event with the longest history, the largest scale, the most complete exhibit variety, the largest buyer attendance, the broadest distribution of buyers' source country and the greatest business turnover in China. This year, the 127th Canton Fair goes online due to the impact of pandemic. With the development of information technology, it also set up a cross-border e-commerce zone to help explore the new possibilities for efficient global trade. Made-in-China.com, as a leading comprehensive third-party B2B e-commerce



Making efficient communication via Instant Multilingual Tranlation



SMART EXPO with Canton Fair

platform in China, was successfully selected as one of the official partners to have a seat in this cross-border e-commerce zone.

In the online events simultaneously held by Made-in-China.com, several themes of SMART EXPOs walked on this international stage. By the end of the Canton Fair in Smart EXPO, more than 1.1 million professional buyers had learned about 40,000 products. In this

unprecedented challenge, these achievements stimulated the recovery of the global economy.

Learning lessons from the experience, Made-in-China.com would keep researching and developing SMART EXPO, hold as many events as possible to promote the combination of traditional global trade and e-commerce, and ultimately give an incentive to economy.

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# MEI Awards:

# **Restart from the New Decade**

By Meng Lingshu

In 2020, this unusual year, MEI Awards steps into its 10th anniversary. 10 years ago, China has been transforming from "World's processing center" to "World's creating center". Nowadays, if you check the items that you bought or displayed on the shelves, you would find that most of them are made in China. There is a stereotype in people's mind that made-in-China products are the ones of low-quality and cheap. And this stereotype has hindered the further development of China's manufacturing industry.

In order to break this stereotype, Made-in-China. com, as the connection of Chinese suppliers and global buyers, launched the original MEI Awards in

2011. It aimed to discover the representative highquality Chinese products, evoke the attention of Chinese corporations for industrial design and brand innovation, enhance the value of Chinese brands, and let global public have a further understanding about Chinese made products.

# **MEI Awards:**A Rigorous Awards

MEI Awards persists in fairness and public welfare. The

S.Zeuzho

MEI Final Evaluation

judging committee is consisted of certified specialists from SGS, BV and TÜV, these top three certification institutions, would audit the authenticity of the material of every product one by one. Mr. Wang, the specialist from SGS, said that, "The basic threshold for product to be shortlisted is being qualified with the product quality standard of its relevant industry. We are always very stick to this principle."

During the final stage, the professional judging group would evaluate the products from several criteria such as quality, innovation, man-machine interaction, market value and social value. These selected products are able to represent the top level of Chinese products and would be showed both online and offline around the world.

# **MEI Awards:**

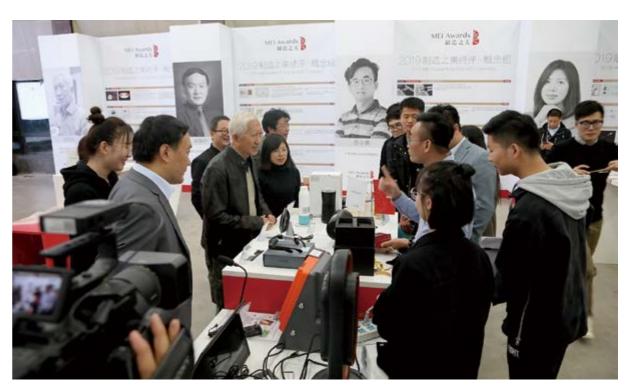
# An Innovative energized platform

MEI Awards has already grown far from the original selection activity since it has launched the integrative

development with market promotion, docking great design resources with manufactures, leading Chinese cooperation to research and develop in design and upgrading. Up to now, MEI Awards has gradually grown up to an innovative energized platform. The professional institution of MEI Awards has visited more than 300 enterprises of various industries in the past 10 years and organized series of activities such as "Design across the Distance", "Manufacturing Summit", "Learning Camp", "Global Boutique Briefing", and etc.

The manager of Bear Electric Appliance CO., LTD showed their appreciation towards MEI Awards when they took part the "Design across the Distance" activity, "MEI Awards is a public benefit activity which is quite helpful to our consumer electronics industry. As we all known, this industry is sustaining innovating which brings us burdens and worries about promoting and innovating. However, the 'Design across the Distance' activity offers us a chance to communicate with professionals in this industry face-to-face, help us parse and solve our problems."

"There is also a share session for us to share our design outcomes with other designers. This



The group meeting during the MEI Final Evaluation



MEI Global Boutique Briefing

session can broaden our horizon, enrich our design thinking, and offer more chances with us to communicate."

# Continuing Bring Chinese Traditional Culture to the world

Chinese traditional culture and manufactures are always very attractive and mysterious in the eyes of people around the world. MEI Awards, as the connection between Chinese manufacturing and global market, has the strong sense of presenting the beauty of Chinese traditional manufactures on the global stage, and they are fulfilling it all the time.



Recording the Chinese Traditional Culture and Manufactures

Soap, comb, snuff bottle, root carving, including the later creations such as ink stone, writing brush and paper, MEI Awards appreciates these Chinese traditional culture and record them in details. In the past ten years, MEI Awards has visited numerous of seminaries of traditional culture and made series of documentaries about them. Xuan writing brush, is the intangible cultural heritage which originates in Anhui. Its inheritor, She Zhengjun, showed his appreciation toward MEI Awards, "Chinese traditional culture cannot be broken off in the modern time. I am so glad

to see that MEI is protecting our treasure. No matter modern industry nor traditional ones, we cannot discard any of them."

2020, is not only the start of the new decade, but also the 10th anniversary of MEI Awards. "We shall keep assisting with enterprises in improving designing and ability of innovation", said by the director of MEI Awards. At present, this national poll has already started and would pick the award winners based on the criteria of quality, creative and marketing. "Golden

Award", "Silver Award", "Best Creative Award", "Most Popular Award" and other kinds of awards would be rewarded to the great products and groups. Moreover, these rewarded products would be offered a chance to have an itinerant exhibition around the world to meet global buyers.

The new decade, the new starting point. MEI Awards is keeping forward with Chinese enterprises. Let's wait and see the top quality and brightest Chinese products.



MEI Awards Ceremony



# A Full Guide on Foreign Brands Entering Chinese Market via Cross-border Ecommerce (1-Policies)

By Mia C. Chen

CEO at OctoPlus Media, Go-to-China Expert, Google Coach, WeChat Smart Solution, China Data Bank™



Happy Asian family shopping in supermarket

# Why would foreign brands want to enter Chinese market?

China's economy is steadily growing with progressive developing trends. With the rapid growth of urban and rural residents' income and the government reducing taxes and fees, and implementation of a series of policies to expand consumption, it is expected that the consumer market will maintain steady development trend. Some experts even predict that by 2022, China is expected to surpass the United States and become the world's largest consumer market.

In 2020, COVID-19 has slowed the global economy down. However, with the strong control measures and response strategies by the Chinese government, China has taken the leading role in controlling the epidemic and actively assisting overseas countries by delivering medical supplies and sharing their successful anti-epidemic experiences. The efficiency of Chinese government has brought the Chinese people to begin

production and consumption restoration, and will further bring confidence to the restoration of global brand spending power. With the increase of Chinese national consumption capacity level, we believe that China would become a vital trading market which global brands are eagerly to enter.

# How do foreign brands enter Chinese market?

Brands can enter Chinese market in two ways: general trade and cross-border e-commerce. Let's take a look at the differences between these two methods at first.

# 1. Difference in import model

General trade refers to the basic retail and is usually used between enterprises. It needs to go through



Warehouse Goods Stock



A customs declaration

the supervision of departments like customs, General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ), State Administrative of Foreign Exchange (SAFE), State Administration for Industry and Commerce (SAIC), etc. Commercial documents such as import and export contracts, invoices and a series of freight documents like bill of lading are also required.

The goods imported through general trade must have labels in Chinese on the original packaging; therefore, the foreign products sold in the Chinese physical stores are mostly imported through general trade. Just like Chinese domestic goods, they can be circulated in China domestic market.

While the rise of cross-border e-commerce is brought by the demand of China domestic consumption on foreign products. It is a B2C model, which usually is a direct transaction between cross-border e-commerce companies and individual consumers. These consumers prefer high-quality, diversified products, and also expect cost-effectiveness and high-efficiency in the buying process.

If using the general trade method, the process will take a lot of time and effort to resolve the various procedures of customs clearance. So, in consideration of time and effort, the cross-border e-commerce platform is much more efficient and convenient than general trade. Furthermore, the goods imported

# Difference between General Trade and Cross-Border E-commerce

	General Trade	Cross-border E-commerce
Model	<ul> <li>Basic retailing and commonly used between enterprises</li> <li>Goods can be circulated in China's domestic market</li> </ul>	<ul> <li>Direct transaction between cross-border e-commerce companies and individual consumers</li> <li>Reselling of the products is not allowed</li> </ul>
Taxation	Three types of tariffs are involved, which are customs duties, value-added tax, and consumption tax	Cross border e-commerce import tax
Customs Clearance	Strict regulations and complex documentation requirements	<ul> <li>Only requires uniformity of three bills (order bill, payment bill and logistics bill) Simpler procedure than general trade</li> </ul>

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through cross-border e-commerce model are original products from overseas and purchased for personal use. Therefore, these goods will not be taxed in China. However, reselling of the products is not allowed.

# 2. Difference in taxation

The taxation is also different according to the different import models in China. For general trade, the tariff is based on China Tariff Schedule and applicable to all trading that involves importing products from or exporting products to China. There are three types of tariffs - customs duties, value-added tax, and consumption tax. You need to clear customs and pays duties and taxes on the CIF (cost, insurance, freight) price before the product is sold.

While for cross border e-commerce, there is a cross border e-commerce import tax and you clear customs only when there's an order from an online customer. The e-consumer pays duties and taxes on the retail price. Different taxes and duties are applied to cross border e-commerce trade and products have to comply with a different set of regulations from those via normal trade

### 3. Difference in customs clearance method

Let's take exporting food to China as an example:

General trade has to follow strict and complex documentation requirements. The process involves more than 10 documents for customs clearance, such as the certificate of origin, health certificate, food ingredients analysis, import license, import declaration for the company's first import of food, description of the packaging material, safety assessment, etc. The process not only is complicated, but also requires a long time. Moreover, most documents are required to be submitted in hard copy, and products that fail to meet the pre-approval conditions will not be allowed to enter China.

While for cross-border e-commerce model, it only requires the e-commerce platform to declare the goods that need to be imported in advance and provides the relevant order information, payment information and logistics information when the goods have arrived at the customs. Its procedure is much more straightforward than the one of general trade model. Not only that, most of the documents can be submitted in soft copy, which is more convenient, efficient and systematic.

Compared to the general trade model, the procedures of customs clearance of cross-border e-commerce model is much more simplified and efficient. Also, the lower involved tariff rate can help reduce the import costs and increase the profit margins.



# Welcome to the Digital Empire! Ready to Go Cashless?

By T.J. Izumi



# Planning Trip to China

When you plan a business trip to another country, the first thing you have to do is to check the validity of your passport and exchange for the local currency. Exchanging money can be a hassle as you have to physically go to the exchanger at the airport in your country or at the destination. Varied exchange rates add another botheration and security is also a concern.

# Cash is Going Out of Fashion

In China, paying in cash is going out of fashion. Believe it or not, the circumstances surrounding the payment methods have been changing rapidly from traditional banknotes to digital currency.

Thanks to the advancement of financial technology you can pay with your mobile phone by showing or scanning the QR code at virtually any place, from a

fancy Michelin-starred restaurant in a five-star hotel to a street vendor. Not surprisingly, some stores even no longer accept cash payment.

# Government Promote Digitalized Economy

The Chinese government is promoting the digitalization of public services including tax payment, paying utilities, booking train and flight tickets, etc., and local governments are moving steadfastly with the audacious plan. In the city of Shenzhen, some districts started issuing electronic receipts, a bold attempt to reduce paper waste and to improve the convenience of the residents.

If you want to call a taxi, you can probably consider using the Chinese Uber called DiDi. It provides the same service as Uber and the platform deducts the fee from your e-wallet on your payment app. During the Chinese New Year, many people send relatives or friends so-called red pocket or "lucky money" electronically instead of handing the paper envelope face-to-face.

# WeChat and Alipay

Two of the most popular online payment services are WeChat Pay and Alipay. The Chinese tech giant Tencent runs WeChat platform which holds approximately 1.15 billion monthly active users, while China's e-commerce giant Alibaba provides similar



Alipay & TenPay

service Alipay, which occupies approximately 30% of the market share. Chinese Online transaction volume for 2019 stood at 2.69 trillion RMB, a staggering increase compared with the volume of 505 billion RMB a decade ago.

Both services are similar to LINE Pay, which is the biggest third-party online payment service in Japan. One of the differences between the two is that Chinese e-payment covers more spectrums of the places including some foreign countries where you see Chinese tourists. It will startle you if you see a UFO catcher at a game arcade in Osaka accepts WeChat Pay.

The e-payment service the two giants offer was primarily a prepaid service and different from a credit card. Users needed to top up cash values from bank accounts and to do so you must have a China bank account until very recently.



Online Payment

# Online Payment Now Available for Tourists

International tourists could not enjoy the convenience of mobile payments in China until recently because it required having a local Chinese bank account and a phone number. But since December 2019, both WeChat and Alipay simultaneously launched service for international travelers.

You can link your credit card with one of those mobile payment services without opening a Chinese bank account. Your mobile number elsewhere also meets the requirement. Now you can go cashless like Chinese people without needing to carry loads of cash.

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# David Pilling: Time to Have a Look at Metrics Other Than GDP

By Niu Yuhan

### **About David Pilling**

David Pilling is the Africa editor of the Financial Times. He was previously Asia editor and also formerly Tokyo Bureau Chief for the FT. Over two decades, he has reported on business, economics, and politics from at least 50 countries as a foreign correspondent. His books, Bending Adversity: Japan and the Art of Survival and The Growth Delusion, have received outstanding reviews around the world.



For years, the development of our society has been judged by a single measure: Gross Domestic Product. However, invented in the manufacturing age as a means of fighting the Depression, the figure was good at measuring physical production but is no longer up to the task of measuring services that dominate modern economies. For example, it is unable to capture the huge advances in science and technology, the phenomenon of knowledge sharing or the hidden value of domestic labour.

Economic growth is a means to an end, not an end in itself. David Pilling criticizes the blind pursuit of economy increase and delves into other possible measures in his latest book *The Growth Delusion*, whose Chinese translation has been published recently. This habit of seeing everything through the prism of economic growth distorts our view of what really matters.

More doesn't always mean better. It is necessary for us to find some supplementary solutions. MIC Magazine had the great pleasure of interviewing David Pilling. He offers not only fascinating insights into economic growth but also his predictions of the post-pandemic world and international trade.

MIC: In your new book, you criticize the blind pursuit of GDP. But since the metrics has been popular for so many years, it should have its own advantages. What are they?

**DP:** It is a very ingenious measure – all human activity in a single number. Part of its endurance is down to this simplicity. This makes it easy to compare performance, whether with the past or with other countries. The US Federal Reserve said it was one of the best inventions of the twentieth century. It was not wrong.

Economic growth can make the world a better place - up to a point. Very poor countries need to grow to give their citizens agency over their lives: choice over what they do and how they live their lives. However, studies show that happiness, in so far as we can measure it, rises with GDP up to a level of about \$15,000 per capita. Then it tapers off. After that more growth, more income does not lead to more happiness

MIC: How does the ongoing pandemic verify some of your opinions in your book?

DP: In my book, I talk about how governments

sometimes blindly seek to maximize GDP without understanding the consequences. The ongoing pandemic is interesting in this regard. Governments cannot minimize deaths from coronavirus and maximize economic activity at the same time. The two are in conflict. If you want to impose a lockdown you are seeking to reduce economic activity.

MIC: What will be the possible impact of the coronavirus on the public opinions on GDP?

**DP:** In fact, more people have come round to the idea that GDP is a pretty limited measure of progress. New Zealand abandoned GDP last year. China won't target GDP this year. For the first time in living memory, governments around the world have deliberately slowed economic activity. Normally, they try to speed it up as much as possible.

It is conceivable that, during extended periods of lockdown, people will reflect on what matters: seeing friends and family, spending less time commuting to the office, maybe even working less hard. But it is equally possible that things will snap back to normal more quickly than we realize. There will be debts to pay and the incentive once again may be to maximize economic growth. One of my biggest concerns is that things will go exactly back to normal and we won't take any lasting lessons from this pandemic.

MIC: You list few metrics other than GDP to measure the development of one country in your book. Which metrics do you think is most important when we resume life and rebuild the post-covid19 world?

**DP:** Health. Without health (and life) we have nothing. Yet governments spend too little time worrying about this, at least explicitly. Well before the outbreak of Covid-19, life expectancy in the US started falling (albeit very slightly). Perhaps in addition to GDP, governments could measure healthy life expectancy and be judged according to their ability to increase it.

MIC: British government took a relatively laissezfaire attitude at the beginning of pandemic, how do you view the policies made in your own country?

**DP:** In general, the British response to coronavirus has been poor: too slow and often haphazard. On the economic side, it has been better. So far the government has spent about 10 percent of GDP trying to mitigate the impact of the pandemic on the economy. I think that is the right approach.

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The Chinese translation of The Growth Delusion has been published recently.

MIC: The pandemic seems make protectionist barriers rise faster. What is your predictions of global trade?

**DP:** I think the protectionist barriers were going up anyway, largely as a result of the US trade tension with China. The pandemic may accelerate this. However,

if Trump loses in November, US policy towards China might moderate somewhat.

I'm in favour of global trade in that it has been the best way for poor countries to develop out of poverty. At least in theory, free trade is the most efficient system because it allows countries to specialize in what they are good at.

On the other hand, localism can often make sense in some sectors, such as agriculture. There are many negative externalities in trade – shipping a strawberry across the world means burning fuel and emitting pollution – that are not always accurately accounted for in conventional economic measures.

# MIC: Do travel zones and regional trade deals offer a solution?

**DP:** Travel zones are just a temporary reaction to the pandemic and won't have a lasting impact on trade patterns. It is possible, though, that the world will splinter into regional blocs, particularly in the field of technology with perhaps China, Europe and the US being the principal three regions. The era of consensus that free trade is win-win appears to over, politically if not economically.

# MIC: How does the pandemic affect a country with huge export volumes like China?

DP: There are short term and long-term impacts.

In the short term, trade patterns have been disrupted, though less than we might imagine. It is astonishing to me that if I go to a supermarket in London – which was locked down until recently – almost everything is available. That means thousands of items coming from dozens of countries. Somehow those incredibly complex supply chains have managed to stay intact.

In the long term, the bigger test will be political rather than technical. If Huawei is to prosper globally for example, it is not a matter of deciding where to produce most efficiently or how to organize its supply chain. Instead, it is a matter of persuading western governments that it is safe to install.

# MIC: What should Chinese foreign trading companies do to take the advantages and overcome the difficulties?

**DP:** At the moment, led by the US, western governments are tilting in the opposite direction. That is the main challenge. If the west becomes off limits for some Chinese companies – particularly in technology – they will have to concentrate on other markets in Asia, Africa and Latin America.

MIC: Let us talk about Japan, a country that you are very familiar with. Is the current state of Japan's

### economy a necessity or a choice?

**DP:** I suppose the state of all economies is a choice to some extent. I would say that the Japanese economy is pretty healthy – though I'm aware that others would disagree. Putting Covid-19 aside, its per capita growth rates have been on a par with most western economies.

When I wrote Japan and the Art of Survival, many people thought I was crazy to suggest that Japan was in reasonably good shape. The accepted view was that it was a disaster. It had "lost" two decades and its population was shrinking. Now I think the consensus view has changed to some extent. Much of the rest of the world has felt pretty unstable in recent years. Japan may appear boring from the outside. But being boring isn't all that bad.

# MIC: How could Japan grow faster and make a bigger impact on the global stage?

**DP:** To do so, it would almost certainly have to have a much more open immigration policy so that it could increase its workforce. It would have to prioritise English and incentivize its companies to move more aggressively overseas. All of this might be possible, but the Japanese have decided otherwise. That's their choice.

# MIC: If single pursuit of economic growth cannot make the world a better place, what is your ideal world and how do we achieve that?

DP: I wouldn't want to be prescriptive about what makes a better society. That is for the citizens of individual countries to decide, ideally through a free electoral process. But I think some things are clear. More equal societies are generally more functional than ones with wide disparities of wealth. Societies with open debate are better than ones where there is a monopoly on truth. Societies where people are able to progress based on merit and hard work are fairer than ones where connections or money hold sway. Societies where there is a sense of social solidarity work better in the long run than ones where ruthless individualism is prioritised.

One thing is clear. If humans collectively seek to maximise growth, we will eventually drive ourselves over an environmental cliff. Our societies can keep changing and evolving. I would call that growth. But if by growth we mean continual extraction – and hang the consequences – then that way lies disaster.



# The Factory Salesgirl

By Ben Chu



It is at 1 pm in a factory located in Taizhou. In a dark and small office of 6, while most of her colleagues are taking their afternoon nap, Jenny is an exception. Already she has had a long morning. She checked inventory in the warehouse by herself as she could not get a reliable figure from her ERP system. Then she sent an email to her customer to explain all the quality problems of the last batch.

Although she is as tired as everyone, she learned to develop a habit of skipping afternoon nap (which is very common for factory staff). Instead, she spends her precious rest time logging in an online learning platform, where she is taking lessons on the trading business. She continues her study after returning to the dormitory in the evening and at weekends, as she cannot have easy access to entertainment in this remote industrial zone.

This is her first year after graduating from a local college, and life does not turn out the way she expected. Jenny, a nickname for work, was graduated in English major for her bachelor's degree. Born in the late '90s, Jenny sees her career in a way far different from her parent's generation. Instead of being merely money-orientated, she is looking for something more.

"This job allows me to understand the world better," said the 23 years old. "We are the 1% of Chinese who could fluently communicate with the world in English. Opportunity belongs to us".

Icicle, another "salesgirl" who left and rejoined the international trading industry within a year, has a different view of her career. "I love to travel, but not the typical type. This job allows me to explore the world more than any other else." Working in an office in Huaqiangbei, downtown in Shenzhen city, Icicle enjoys the work-life balance that her job could offer. After 6 pm, she could leave office and go to her dancing studio, where she spends a couple of hours with her friends for their favorite activity.

Young people who work as an international trader, usually referred as "Chinese sales girls" by overseas customers, is a community worth more attention. Experienced buyers would agree on the importance of having support from a good "salesgirl", as they are usually the only one you are able to contact directly with your supplier. Nevertheless, it takes some luck to meet a professional one who can really shoulder the responsibility of the linkage.

About education, most of them graduated from either English language or International business. Having said that, the core skills necessary for the real job, like business communication and manufacturing operation, are often missed in college education. "It virtually starts from the very beginning," said Jenny. "Textbook in school tries to give us a bird-eyes view on everything, but it is not practical to our daily work. That's why I need to pay

for my online course." Last year Jenny spent about 10K RMB (≈ 1.5K USD) on learning online, which equals to almost two months of her basic salary.

"Not only the money you spend, but also the quality time you spend on studying online. For me, it is still worthy. I hope to start my own business before my 30s, so I need to push myself to be more competitive than peers ".

Being an ordinary junior international trader could be tough. According to our questionnaire in January 2020, of 2000 respondents of all ages and years of trader experience, 40% of them earn less than \$15K per annual (before tax). For those living in major city like Guangzhou and Shenzhen, cost of living is nothing negligible.

Except for salesperson working in factory, most trading companies do not provide their staff with dormitory. They need to look for their own shelter by either living in the most remote possible location and spend more than 1hour commuting, or looking for roommate that is not too disturbing. And in most cases, both. "I share my apartment with 2 other girls, and each of us spends 1300 RMB (\$185) per month for rent. Not too bad". Said Icicle who chooses to work in Shenzhen, one of the most expensive cities in terms of cost of living. "I can still manage to save some money for my future. I think working as SOHO could be a good idea for a longer term."

Despite low salary, poor working condition and high pressure, the international trading industry is still attractive to the young generation. Although the internet and financial sector are getting to be the top layer of young Chinese career choice, reasons like world culture, freedom and travel are still attractions that make international trading a great option.

Today, while entrepreneurship is hot among younger's mind, trading worldwide offers an excellent opportunity to start a business. With 3-8 years of experience, a junior trader could have achieved certain level of success in their career. Some become key managers of a factory, some enjoy being a top sale and refuse to take up management roles, while some decide to start their own trading business, either with a team or as a SOHO, which means working from their home as a one-man-band. This is a colorful career, as it always is.



# Chen Dongchang

Chairman of Topleader, established the mask manufacturer Jin Ling to fight against coronavirus

# How Does Jin Ling Succeed in China's Mask-making Chaos?

By Niu Yuhan



One international buyer emailed Jin Ling, a newly established Chinese mask manufacturer at midnight on April 27, ordering 2 million pieces of masks and asking to deliver them during May Day Holiday. Being informed that workers in the factory would take holidays off and the masks could only be shipped after the holiday, he was very anxious about the default and economic loss. After negotiation, the mask maker promised to deliver part of the goods during holiday and the rest later. "This is how popular we are" said Chen Dongchang, General Manager of Jin Ling.

During the outbreak of Covid-19, a number of Chinese

companies that have nothing to do with medical supplies have transformed their factories to produce masks. As the world looks to China to provide these important weapons to fight against coronavirus, how did some Chinese exporters seize the opportunity to meet the huge global demand? Some qualified and well-known mask manufacturers on Made-in-China.com are selected to share with readers. Jin Ling is one of them.

The mask-making newcomer was established by the automotive air conditioning vendor Topleader, where Chen is the chairman. For him, life can only get better if the pandemic is over, and making high-qualified face







Most production of JL-MASKS have achieved automated operations in workshop.

masks is a vital step in protecting us from virus. With this simple and pure intention, he retrofitted some factories for the production of JL MASKS.

# **Quality Control**

Classification of masks differs across countries. Buyers need to check for relevant Chinese or destination product standards to assist with determining how to classify the masks imported from China. For example, Europe uses the EN14693 Standard for surgical masks, whereas China uses the YY0469 Standard.

Although each standard varies a little by country, they are broadly similar. It is a fallacious assumption that the quality standard of Chinese masks is lower than the European and American standards. A KN95 is equivalent to an N95 mask. Both are rated to filter 95% of particles. The only difference is that KN95 is manufactured in China.

"If Made-in-China masks are worn by Chinese people, which accounts for nearly a quarter of the world's population, and played a great role in virus control, foreigner can certainly use them too", said Chen. However, the urgency of virus control caused chaos in China's medical equipment market, where the quality of epidemic prevention materials is uneven.





Special JL-MASKS logo enhances its brand awareness.

To fulfill the quality requirements and take responsibility of the customer's life, Jin Ling has a set of mature quality management system in operation, from supplier development to production process and test verification management. For instances, most production have achieved automated operations to avoid humancaused mistakes. Each link and key points have quality controllers and the whole process is monitored without any blind spot. Besides, their partner "Songshan Lake Materials Laboratory", who have extensive experience, helps ensure the quality of masks.

Therefore, JL MASKS does not only pass all testing and attain certification from relevant national testing institutions, but also meets European CE Marking, U.S. FDA certificate and other international standards. As a beginner, it ensures the quality of the masks by integrating external resources, working with professional mask manufacturers, and passing the tests from professional testing agency.

# Branding and Marketing

Apart from quality control, brand is also vital in the industry chaos. Since mask qualities are not equal in the market and consumers do not know how to choose, a reputable brand can relieve their choice anxiety. The JL MASKS logo on the mask can give them a clear signal that it is qualified and trustworthy. Is it worth to brand a mask? Chen's answer is always yes. Once the decision to produce certain type of products, no matter automotive air conditioning or masks, has been made, he will ensure its quality and reputation.

Global lockdown to fight the coronavirus requires special strategies for branding and marketing. JL MASKS does not exclude traditional market-oriented approaches, but prefers building its e-commerce platform to drive brand awareness and increase sales. It conducts digital marketing through the efficient and high-quality platforms, including Amazon, eBay, MadeinChina, Alibaba and social media such as Little Red Book and Facebook.

Furthermore, Jin Ling has its own branches in the United States and Europe. They collect and analyze first-hand market information, conduct service tracking and resource integration as well as brand ingenuity and maintenance in regional markets, creating a foundation for branding.



Chen retrofitted these factories for the production of JL-MASKS.

There is no doubt that incubation of a brand takes time to accumulate, but Jin Ling has a firm determination to build brand awareness on JL MASKS. Once the seed of trust has been planted in the minds of consumers, JL MASKS and China-made products in large would benefit from the positive image.

# What next?

Global problems require global response. The global economic integration indicates that as long as the pandemic is not over, its adverse effects on all mankind will exist. As China's infection numbers have slowed, the export restrictions are eased. At the very beginning, The Food and Drug Administration (FDA) blocked imports of KN95 masks. However, they changed course and authorized the use of KN95 masks for emergency use due to a shortage in personal protective equipment in the United States.

Amidst huge global demand, Jin Ling has a highly qualified professional team, a large number of international channels and an excellent supply chain. These advantages boost its sales, customer satisfaction and repurchase rate. Up to now, a total of 23 million PCS product orders is still in production.

If governments around the world keep the coronavirus under control, the demand for masks would continue to shrink. However, the brand JL MASKS will still exist. Jin Ling will continue to produce masks and other products which can be used by the food and beverage industry, the medical industry and westerner's make-up parties.

The coronavirus is plunging the global economy into recession. However like any crisis, the pandemic can be an opportunity for certain business. A few companies like Jin Ling are able to conduct proper strategies and turn a profit. Chen shares his successful story, but he thinks the real success only comes when the pandemic is over and people can enjoy their life without fear.





3 Vivian Fang 10 +86-139 250 20 keiding001@ 20 www.keiding

+86-139 2508 9586

keiding001@163.com

www.keidingdesign.com





- Sammie Huang
- +86-135 3589 4498
- sammie@fsups.cn
- www.fsups.cn





- Queency Lu
- +86-137 5774 2467
- queency@clavcare.com
- www.clavcare.com





- (a) Idy Jo (b) +86-130 8588 0000 (c) info@fangoled.com (d) www.fangoskd.com







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- +86-150 6073 3661
- jasmine@golden-bauhinia.com
- www.goldenbauhinia.com

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The Palace Museum might be called China's oldest "Internet celebrity". Established in 1925, it incorporates imperial houses of Ming and Qing dynasties and their relics into its collections, ranking first in China in terms of the sheer size and scale to present ancient culture and art.

Rich cultural endowment and historical mystique guarantee its lasting glamor. In other words, a perfect blend of beautiful scenery and legendary existence is what makes the museum known to the world. This can be evidenced by the fact that by 2012, the

museum had become the only one museum in the world that received more than 10 million visitors annually. Leaving ephemeral realities of daily routine behind, they come here to admire the eternal beauty of the passage of time.

Even for a casual observer, he or she knows intuitively that it is infinitely easy for the museum to stand out, considering how rich the cultural legacies it was bequeathed. It just stands there, basks in historical glory, then the mission of presenting ancient Chinese civilization is automatically

accomplished. It does not need to bother to blend in the latest fad, because its style comes from within. However, the museum is determined to let viewers' jaw drop again, not only for its past splendor, but for its newfound identity: internet celebrity. All products it designed are selling like hot cakes in online shops.

Available data reveals that by December 2018, the museum had designed and developed 11,936 kinds of cultural and creative products, building the most valuable brand in China's cultural and museum

exhibition industry. The achievement is even more remarkable, considering that as early as 2017, the museum had reaped revenue worth RMB 1.5 billion (about USD 215 million), higher than the figures of 1,500 A-share listed companies putting together, as some media report. The impressive figures may have something to do with the museum's unbelievable luck: It is located in a country with a splendid ancient culture to boast of and a 1.4-billion consumer market to tap into. But history has proven that the road to greatness is always bumpy.

# Growing in Learning

More than 1.8 million pieces of cultural relics can both be enviable wealth and unenviable burden. It costs much to preserve and maintain them. However, only 54% of the expenditure is sponsored by the state government while the rest has to be self-financed by the museum. Besides, the main income source that the museum can count on, ticket proceeds, needs to be contributed to the state treasury, leaving the museum with no option but looking for a viable business model that is sustainable and matches with its identity as a protector of cultural wealth.

The earliest foray started back in 2008. By partnering with Taobao, China's most well-known e-commerce giant, the museum became the first of its kind in opening an online shop. In the same year, it founded an offshoot: Cultural and Creative Center of Palace Museum. The center focused on selling copies and memorabilia of sculptures, calligraphy works and

paintings that are exhibited in the museum. Since these products showed poor craftsmanship at high prices, few consumers were willing to buy.

At this point, an inspiration presented itself: maybe the museum could run a pilot program with Beijing Shangchao Creative Souvenir Development Co., Ltd., the same product developer for its online shop. This company was solely funded by one natural person in 2008 after an employee of the museum found a design team to support this idea. Though professional designers subscribed to this idea, they could not think outside of box and figure out what idea-intensive products inspired by the museum should be like. Postcards and badges were their only brainchild. Lukewarm market reaction was only to be expected.

Epiphany dawned on them in 2013 when the National Palace Museum in Taipei launched a paper tape bearing the words "I Know", an expression of Emperor Kangxi (reigned 1661–1722) to show his assent after reading through his ministers' memorial. This IP-

80,000 people flocked to the Forbidden City on the first day of the Qingming Festival holiday, watching flowers blooming, enjoying beautiful scenery and taking pictures.

licensing cultural and creative product became an instant hit. Local government in Taiwan deserves credit for this success. Since 2002, it has introduced policies to promote the development of cultural and creative industry, creating an enabling environment for Taipei's National Palace Museum to commit itself to growing this industry and gaining admiration.

One of the admirers is Shan Jixiang, former director and curator of Beijing's Palace Museum. He told reporters in an interview that as soon as the "I Know" paper tape achieved instant success, he received an instruction from the State Council, advising him to learn from Taipei experience. Thereafter, he went to Taipei to unravel the myth.

During this period, he got the hang of selling points and promising future of the cultural and creative industry. He gave his first try at adhesive tape which does not require exquisite craftsmanship but can be easy on eyes. The aesthetic elements of the museum were integrated into the design of the tape, perfectly matching buyers' expectation about what a product inspired by cultural heritage should be like.

Sales volume was far higher than that of previous products that failed to resonate with culturally savvy consumers. However, since the unit price of these creative products is low, by the end of that year, the museum had only reaped RMB 150 million (about USD 21.4 million) by selling these products, while its counterpart in Taipei made a handsome profit from the products worth TWD 900 million (about USD 29.8 million).

Anyway, this marketing campaign was a success, building a fanbase where young consumers do not love Chinese curios, paintings and calligraphy works as much as traditional collectors do, but are attracted by traditional Chinese culture, love the art of writing, and take a fancy to the products that are artfully designed. What is the winning formula for this market success? Obviously, the answer lies in the shift of perspectives, of which Shan lixiang are acutely aware.

Based on this understanding, he borrows another idea from Taipei: launching a creative design contest titled "Forbidden City Championship". It aims to achieve three results: First, to win popular support for the museum; second, to change the stereotype of the museum in the eyes of viewers who think it is magnificent yet cannot engage with modern audience; third, also the most important aim of Shan, or of the Palace Museum, to brainstorm ideas which

can reflect the real needs of the epoch and mass audience. Wisdom is not distilled from some abstract ideas, but from aesthetical experiences of people. Not until these experiences are embodied in creative products are they willing to buy and have the culture of the museum imbibed in their daily life.

Since its launch, the contest had attracted considerable attention from all walks of life. Most of them were college students. This is a sign that cultural and creative products of the museum in the future should cater to the needs of the young, because the great majority of designers and buyers belong to this group. Winners of that year designed products like "I am who I am" paper fan, "propitious cloud" necktie, and "travel according to the imperial edict" baggage tag. Sales volume of such products reached RMB 600 million (about USD 86.48 million), four times the figure of previous year.

# Gaining Momentum by Favorable Policies

These products serve as a timely reminder for the museum's Taobao online shop that Forbidden City's former resident s, Ming and Qing emperors, can be integrated into product design, grabbing consumers' attention in an era defined by social media. Marketing team of the shop wrote a tongue-in-cheek article titled "Emperor Yongzheng: I'm so cute", and posted it on WeChat's Moments where it went viral. The popularity of the museum soared to a record level. The cuddly emperor- and empress-like nodding dolls, and mobile holders featuring funny-looking imperial guards have become the shop's cash cow.

The timing cannot be more opportune. In 2015, the State Council introduced the Regulations on Museums, stating that "Museums may involve in business activities as long as they fulfill their mission as non-profit organizations." This sends a clear signal that museums are encouraged to do legitimate business befitting their identity, so as to keep the institution running while ensuring ancient Chinese culture is embraced by more people. This has boosted the confidence of museums like the Palace Museum to do more things and do things differently. Other museums including Nanjing Museum, Dunhuang Museum and Shanghai Museum began to launch a wide variety of cultural and creative products

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The pop-up store of cultural and creative products of the Palace Museum opened in Shanghai Shimao International Plaza, attracting many customers.



Metropolitan Museum of Art opens an online shop to serve Chinese customers.

that present the museum's history and capture the essence of the exhibits.

In 2016, the State Council issued "Opinions on Developing Cultural and Creative Products by Culture Promotion and Cultural Heritage Preservation Organizations" for the reference of the Ministry of Culture, the National Development and Reform Commission, the Ministry of Finance and State Administration of Cultural Heritage. It encourages public institutions like museums to engage in market competition in cultural and creative industry, with the proviso that public institutions should register companies to participate in such competition and keep away themselves from business activities. This policy gives the Palace Museum perfect timing to incorporate its Taobao online shop, which has been a devoted partner and enjoys great popularity, into one of its affiliates, Beijing Cultural Service Center for Palace Museum.

Though the policy does inject a much-needed impetus to China's cultural and creative industry, it does not put Chinese museums in a better position to compete against museums in Europe and the United States where cultural and creative products have become major sources of income. In some cases, the proceeds are even bigger than ticket sales.

Take British Museum for example. Since its free entry in 2001, it has relied on selling cultural and creative products to keep running. Metropolitan Museum of Art (the Met) follows this model as well. In the year of 2015 alone, the Met contributed USD 946 million to New York's GDP, of which sales revenue generated by cultural and creative products accounted for nearly 60%. It goes the extra mile, opening an online shop to serve Chinese customers. Its first product is evocation of "Camp Fashion" which is perfectly interpreted by Lady Gaga, Katy Perry (better known as Fruit Sister among Chinese audience) and other superstars. The Met's products represent the latest fad in Western countries, hoping to click with Chinese consumers right away.

Earlier, British Museum had run an online shop at Taobao's Tmall and been hailed as Internet celebrity because of its cute image. In comparison, the Met is recognized by consumers for its vivacious charm.

Online shops of the Palace Museum and British Museum have more than ten million visits each year. By the standard of annual visits, the two shops are even more popular than the world's most renowned

museum, the Louvre Museum. Considering this remarkable feat, the Palace Museum is really a pacesetter in China.

# From One to N

In 2017, some imported skincare products wrapped by various patterns of adhesive tapes designed by the Palace Museum were displayed online, attracting a huge crowd of followers commenting "Fabulous" and suggesting the museum gain a slice of cosmetics market.

The museum responded promptly, posting an article titled "What if the Palace Museum gained a slice of cosmetics market", which shows the museum's solution to reshaping the industry. It integrates the craftsmanship of dian cui into eye shadow, muted colors of a bird-and-flower painting into blusher, the enchanting blue of a Song-dynasty landscape painting into nail polish, and different shades of red painted on the palace wall and porcelain into lipsticks. The post attracted sizable audiences who were spellbound.



Palace Museum launches exquisite original lipsticks.

In February 2018, the museum turned the vision into reality. It partnered with cosmetics giant L'Oréal, launching co-branding lipsticks and securing market success. This is its first foray into the cosmetics market.

But the success did not come without challenges. IP-licensing cosmetics need to go through several processes before hitting the market. They include package designing, model making, sample making, fine-tuning and testing. When it comes to sample making, experts with the Palace Museum's Cultural Relics Administration Office conducted rigorous checks about design elements and tone comparisons

among different materials. Then the sample was sent to the State Food and Drug Administration for approval and registration before manufacturing. The whole process lasted eight months, subject to more than 1,200 times of fine-tuning.

The Palace Museum communicates its passion through these eye-catching lipsticks, eye shadows and blushers which went viral on social media. This advantageous position was further strengthened by many key opinion leaders (KOLs).

At its peak, there were 1,380 copycat producers, suggesting how popular these products could be.



The Palace Museum's Furniture Gallery opens to the public, following the Gallery of Painting and Calligraphy and the Ceramics Gallery.

But this super "Internet celebrity" is committed to constant self-reinvention. Apart from launching products, it is always in search of different ways to resonate with consumers and increase brand stickiness. It believes in what comes from the heart goes to the heart. It wants to build a brand that can connect with people at many levels and in many moods.

In 2017, photo of the Forbidden City in the stillness of first snow generated 14.25 million views. One year later, another picture of the Palace bathing in the radiance of rarely-seen red moon had 20 million views. In 2019, first snow scenery in Beijing was not available until after the Spring Festival. When it came, online views of the Forbidden City totaled 50 million. "People are craving to see what the Palace looks like," said Shan Jixiang.

He knows instinctively what will grab people's attention. In 2019, the Forbidden City was lit up to celebrate the Lantern Festival. There were so many people longing to secure a spot to get a glimpse of majestic splendor that the museum's online ticketing system crashed as soon as the booking process began. This "incident" has been much talked about ever since. The author has no intention of dwelling on whether that light show achieved desired results. One thing is clear: The museum is not afraid of taking risks, but committed to bringing the Forbidden City closer to ordinary people, and inspiring them to live free of regret and filled with sense of passion.

Apart from creating eye-catching, mind-boggling content, the museum is also adept at building an effective marketing model featuring refined management of the needs and preferences of target audience. As early as 2007, the museum organized a number of volunteers to conduct a large-scale audience survey. A total of 55,369 questionnaires were adopted with a conclusion that the majority of the audience aged 19-39, accounting for 61% of the respondents. Among the youth group, 60% were students and employees of enterprises and public institutions. Therefore, the museum customizes event promotions and services to cater to the needs of these three groups.

At present, the cultural and creative arm of the museum manages four online shops: flagship store selling cultural and creative products for the Forbidden City, store selling the same kind of products for the Palace Museum, Forbidden City

at Taobao, and flagship publishing store for the Forbidden City. Each of them has their own functions. Occasionally there is overlap between products, but the pricing strategies show obvious difference. It is not hard to notice that the museum has an effective tiered marketing strategy.

This strategy also features combined forces of four teams: center for cultural services, studio for cultural and creative products, work group to obtain credit, and publishing house, integrating the processes of design, R&D, operation, launch and publishing into one. Meanwhile, teams and professionals in creative industry are invited to offer their insights into the development and design of the museum's products.

At the end of 2018, the museum teamed up with other Internet celebrities to make a variety show "There's something new in the Palace Museum" with Beijing TV and iQiyi, one of the largest online video sites in the world. This show proved to be a huge success both in terms of word of mouth and audience rating. But there is more. Influenced by these Internet celebrities who have a huge fanbase, an increasing majority of China's post-90s generation have become devoted consumers of the products and sightseeing services of the museum. At the same time, spinoffs of the show, such as pajamas, which were designed by students from prestigious schools like Central Academy of Fine Arts, sought financing worth over RMB 1 million through online crowdfunding events in a couple of days.

Indeed, it is unusual for giants like the Palace Museum to go to great lengths to burnish brand and boost marketing, given its inexhaustible resources and peerless imperial identity. That's because the museum is fully aware of the era it is in.

It is not an era that allows wishful thinking like "good products can be well-known naturally", but one that rewards those who can seek a way out and stand out in an increasingly crowded market.

The secret is to build a unique brand, present a compelling image, and build up the power of word-of-month. More and more companies are conscious of the urgent need to practice this way. Then why not learn from the Palace Museum to distinguish yourself from your competitors, to strengthen and maximize your brand equity. It is a long road, but toward a better future, a future with a more splendid dawn that you do not imagine beforehand.



# Bruce Lee and the Unique Woman Style of Kung Fu "Wing Chun"

By T.J. Izumi

It is not uncommon to learn about another culture through movies or TV dramas, and often overseas audiences are more intrigued and lured by the traditional culture, which is not their own.

Speaking of Hong Kong, the first name foreigners probably mention is Bruce Lee if not Jackie Chan nor Donnie Yen for millennials. Even if you are not a fanatical fan or martial arts practitioner, everyone knows Bruce Lee for his perfect masculinity and impeccable fighting skills. His philosophy and work have left a phenomenal impact not merely within martial arts communities but also beyond cultures and industries.

Bruce was born in San Francisco, California, in 1940 as the second son of a famous Chinese opera star and a beautiful mother of Euroasian origin. After returning to Hong Kong, the young man often labeled as "cocky" was involved in several street fights with local triad members.



Wing Chun popularized the use of wood dummy for training precise attacks.

Worried by this, his father brought him to the renowned martial arts master Ip Man to study a style called "Wing Chun" for self-defense. Bruce was 16 years old and trained under Ip Man in the late 1950s before his parents finally decided to send him to America. Starting over a new life there would be a better option to avoid trouble, his parents thought.

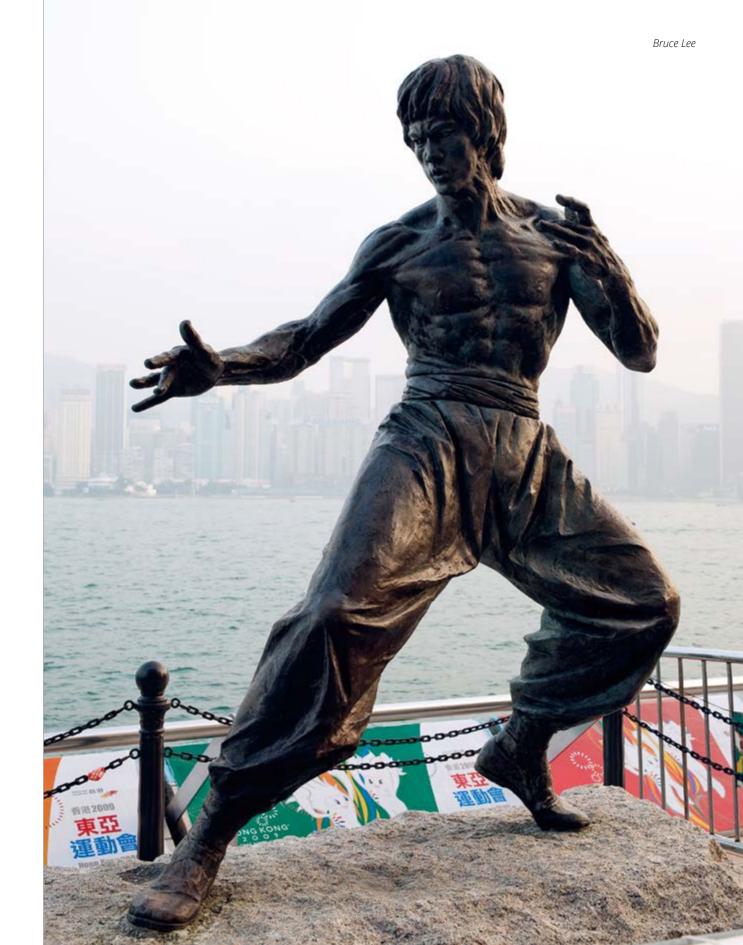
After a year into his training, many of his classmates at lp's kung fu studio became reluctant to train with Bruce. He had a mixed non-Chinese ancestry, and that made other students think Bruce is not qualified. Back in those days, most martial arts schools and masters were exclusive to teach only people of Chinese descent.

The style of martial arts Bruce studied was a unique woman style of kung fu, which originates in Southern Shaolin Temple in Fujian province. Wing Chun means "beautiful spring," which is, in fact, the name of the female founder Yim Wing-Chun.

The style focuses on defeating enemies as quickly and efficiently as possible by attacking the centerline of the opponent's body. In the recent popular movie series "Ip Man 4," starring Donnie Yen, you can witness how the successor of Hong Kong martial arts hero defeats the American soldiers with the chain punches of economic movement.

It is interesting to see how Wing Chun was popularized by Bruce Lee and the movie industry. Only a handful of people had known the style before Bruce Lee appeared on the screen. Now because of Donnie Yen and Ip Man series, a great many have known or at least heard of Wing Chun.

Legend has it that Wing Chun was passed on from Fujian to Guangdong province by members of Canton





Fighters wing Chun kung-fu fighting

opera actors on the so-called "red ship". Then, it was exported further south when Chinese mainlanders fled to Hong Kong to seek better lives during the Cultural Revolution between the 1950s to 1970s.

"Wing Chun is a soft internal style of kung fu. It doesn't count on power generated by muscles, so it's suitable for women. In fact, Wing Chun was invented by a lady", explains Lam Shu-Shing, vice-president of Leung Sheung Lineage Wing Chun International Fellow Confederation. Lam started learning Wing Chun at the age of 18 under late Leung Sheung, one of the four significant students of Ip Man.

Master Lam, who is turning 70 this year, teaches the art to a small number of students he carefully chose. He is strictly following the lineage of his teacher. "Wing Chun should be passed down to determined, hardworking students. Because my goal is to inherit not only the skills but also its spirit to next generations", he said.

Ip Man as well learned Wing Chun from his teacher on a one-on-one basis at his residence. Now a popular martial arts style once was extraordinarily exclusive and hidden from the ordinary public.

Tourists taking photos posing like an action star in front of the statue of Bruce Lee is what you often see at the avenue of stars in Tsim Sha Tsui. A significant number of movie fans from all over the world visit Hong Kong every year, as movie tourism becomes increasingly more popular in recent years. Fans visit shooting sites of their favorite movies and idols and post pictures instantly on social media.

If you want to do a little bit more than taking photos, you can visit Hong Kong Cultural Heritage Museum in Shatin. At the exhibition dedicated to the life of Bruce Lee, visitors can observe his rare personal items such as outfits, training equipment, writings, short movies, etc. You can definitely feel as if you are stepping in time when Bruce Lee was alive.



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