

# China: no longer lost in translation

Anne Cao is a Chinese New Zealander using her extensive language and business skills to help Kiwi companies better communicate with partners in China.



BY GLENN BAKER

**A** Anne Cao knows firsthand how different the New Zealand and Chinese cultures are, and how those differences can be major roadblocks for Kiwi businesses seeking to develop new business in China.

Cao was born and raised in China. As a 15 year old she played professional basketball in Beijing, and later went on to work in the capital, most notably as a journalist for a large newsgroup, and as a sales, marketing and project manager for a publicly listed Chinese technology company.

Cao also has extensive experience of New Zealand culture. She originally settled in Invercargill to learn English where she quickly became closely involved in local voluntary community work, teaching and basketball coaching, joined the Southland Multicultural Council and, later, after moving to Auckland, joined the New Zealand Federation of Multicultural Councils. To ingrain herself even further into the Kiwi psyche, she has been vice-president of public relations at her local Toastmasters, is currently a committee member for Massey University's Auckland alumni chapter (she holds a Masters degree in International Business) and a mentor with Business Mentors New Zealand.

Bilingual in both Mandarin and English and with business experience in both New Zealand and China, Cao is in a unique position to understand where businesses let themselves down in trying to forge relationships with Chinese companies. She also has good connections in China and knows how to build relationships with Chinese government agencies, as well as consumers.

"It's important to carry out thorough marketing research before you do business in China. Relationships and trust must come first," she says. "When you meet with a potential Chinese business partner or client, they may ask general questions about you which you may think is not business related. For example, 'How many people are there in your family? How many children do you have? What did you do before starting your business?'"

"They simply want to get to know you, and when the trust has been built, the Chinese will start to talk business."

Finding the right agent, distributor or partner in China is essential, advises Cao. "But you need to be very patient. Doing business with Chinese takes longer than you think."

The language and cultural barrier can be a major problem for New Zealand exporters.

"Although Chinese companies can have staff who speak English, the cultural difference means they may interpret words differently.

"It's easier for New Zealand exporters to have their own Chinese person who understands business on the phone to communicate with China-based buyers and distributors. Use your own translator, who will work better on your behalf - do not use the Chinese buyer's or distributor's translator."

Cao knows of at least one project between the two countries that was forced to cease operation due to the language issue - the two companies concerned simply could not communicate with each other.

Thorough research and planning is necessary in order to save a lot of time and frustration entering the

China market.

"You need so much information. Where in China will your product sell the best? What volumes should you plan for? Who are the best people to talk to? Who are your competitors?"

"You must have a thorough market strategy so you know exactly what you're aiming for in China, and to help you with your research it really is an advantage to have someone proficient in both languages working with you," says Cao.

"Above all, be patient. Establishing yourself in the China market will take time, but you will find your efforts are well rewarded in the end."

Cao believes the NZ-China Free Trade Agreement has made a significant difference to the relationship between the two countries.

"Trust has been built up at government level. There is a lot of cross-promotion going on, and so many Chinese companies are now keen to do business with New Zealand.

"Thanks to the FTA, tariffs in various areas will decrease every year - which gives New Zealand exporters price advantages in the market.

"The FTA also means more young Chinese have the opportunity to visit New Zealand for travel or study, and they will take a lot of positive feedback on Kiwis back home."

**Anne Cao helps Kiwi companies build good relationships with China business partners. She specializes in market research, communication and negotiation.**

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