

Winemakers to learn nuances of doing business in China

By Mark Chipperfield / 20th of May, 2015

EducationPrimary Industries AUSTRALIAN winemakers hoping to carve out a niche in China are being taught about “non-verbal” messages that could mean the difference between success and failure in the world’s fastest growing consumer market.

Experts at the **Chinese Language and Cultural Advice centre** in Adelaide, South Australia say that even simple mistakes such as not knowing how to present a business card can send the wrong signal to a potential Chinese buyer or business partner. The advice comes as up to 30 winemakers from South Australia head to Shandong, the state’s sister province in China, as part of a large trade mission. The wineries are travelling to China to cement relationships that have been fostered using South Australia’s leading China policy of engaging with one province instead of the entire country or the large cities.

Cao Jing, the centre’s co-managing director, says that Westerners in China can be floored the simplest cultural misunderstanding – such as assuming that “yes” always means “yes”.



Cao Jing

“Sometimes ‘yes’ can also mean ‘no’,” he explains. “The speaker may be expressing a level of politeness and friendliness. Or it could be just a way to get out of the conversation as quickly as possible. There are a number of factors.”

According to Mr Cao even people with language skills can find it difficult to navigate the complex Chinese etiquette surrounding fairly simple business transactions, such as fixing a price.

“A very common scenario is that you agree on a price on Monday but it’s very likely that the Chinese will come back on Wednesday saying they want to look at the price again, to find a way to cut it by 10 per cent,” he says.

“This will really upset the Australian partner. They will assume that whatever has been discussed and agreed is already in the past. But for the Chinese this conversation can start at numerous points. Just because you have agreed on something it does not mean it cannot be renegotiated.”

Wine makers who want to avoid such cultural pitfalls will be able to attend a special two-hour workshop at the Chinese Language and Cultural Advice Centre in Thebarton on July 29, 2015.

The workshop, which will appeal to people from other sectors such as agribusiness, education and mining, aims to equip participants with the non-verbal skills they need to do business in China.

Mr Cao, who spent many years working in the hotel industry in Europe, says that anyone who wants to export to China needs a sophisticated understanding of Chinese society.

“Just because you speak a few words of Chinese doesn’t mean you can become a Chinese person,” he says. “The language alone is not going to change people’s values, beliefs and mindset.”

China is Australia’s third largest export market for wine by value after the United States and Britain, with sales reaching A\$210 million last year.

With the phased removal of tariffs and a renewed marketing push by the Australian Grape and Wine Authority, many smaller wine makers are hoping to crack the lucrative Chinese market.

While knowledge and appreciation of Australian wine is growing in both Hong Kong and mainland China, Mr Cao says Australian wine makers need to start building brand awareness if they are to rival sales of French wine, the market leader.

Effective non-verbal communication, a respect for Chinese cultural values and the ability to avoid potential misunderstandings is a good start.

“It’s important to create a good first impression,” says. “Things like business cards, the way you talk about your business, the way you talk about yourself creates a really important impression.”

Chinese Communication Styles workshop will be held at CLCA, 24 Stirling Street, Thebarton, on July 29, 2015. The cost is \$220. Bookings: phone 08 8352 6128 or visit www.clca.com.au