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Etiquette: Must for doing business in China  
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## **Understanding chinese culture:**

China is said to be a collectivist society, with close and committed member 'groups' . Loyalty is paramount and there exist strong relationships. China, like all other Asian countries, has the highest respect for tradition, fulfilling social obligations, and protecting one's face or mianzi. 'Losing face' is equated to losing self-respect and status, which is the highest level of shame.

## **Introductions:**

Handshakes are the formal greeting . Topics like weather, food, or hobbies are good ice-breakers . Being hierarchical, juniors are introduced to seniors and official to non-official persons. After introductions, business cards are exchanged with both hands. Carry extra cards, as meetings are attended by many persons and you are expected to exchange cards with all.

## **Eye contact:**

Direct eye contact is considered inappropriate but maintaining adequate eye-contact aids communication .

## **Rank and status:**

Rank is extremely important and should be kept in mind when communicating. When dealing with senior officials, maintain a level of formality. Business is gender-neutral and there exist no gender biases.

## **Business meeting:**

Relationships are important; Guanxi which is about having good relationships is a priority . Chinese like face-to-face meetings and dealing with people they are comfortable with. Before arriving, send literature about your firm and the agenda to help build comfort levels. Business relationships are built after the Chinese get to know you, which may take time. They dislike showing excessive emotions, making it difficult for you to judge how the meeting went.

## **The concept of an intermediary:**

Retain an intermediary to make formal introductions, which improves the credibility factor of your firm. Also, it is considered impolite to ask direct questions and the intermediary can help bridge this communication gap.

## **Negotiations:**

Negotiation & decision-making is hierarchical and slow. 'Saving face' is important and like Indians , the Chinese too try to mask the word 'no' with phrases like 'lets see' . Price negotiation is a part of the culture and should be factored in. Like Indians, the Chinese nod is only an indication of listening and is not an agreement.

## **Gestures:**

Although personal space is less valued than in the Western world, touching or patting in the workplace is not accepted. Gestures like pointing, beckoning with the index finger or showing the soles of your shoes are considered extremely uncouth.

### **Seating arrangements:**

In a business meeting, you will be escorted to your seat, which is in the descending order of rank. In a business dinner, the guest of honour is seated facing the door of entry, directly opposite the host. At times, the host will serve his guests portions of food, assuming they are too polite to ask for more food.

### **Entertaining skills:**

While meals are not considered appropriate for discussing business, drinking alcohol is. Chopsticks should not be played with during a meal - used for pointing or left standing up in a rice bowl. A clean plate indicates you are still hungry, forcing your host to continue ordering food.

### **Gift giving:**

Gifts show courtesy and are a great way to build a relationship. However, the value of the gift is not important, as it is treated like a souvenir and should not be mistaken for bribe. Appropriate gifts are wine, tea, chocolates and exotic fruits. Unlike India, odd numbers are considered unlucky and gifts are sent in pairs. Gifts are not opened in front of the person giving them.

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