

A in point was dmg's campaign for volkswagen

[Business](#)



DMGs campaign for Volkswagen DMGs campaign for Volkswagen Case

Discussion Questions

1. Why is it so important to cultivate guanxi and guanxiwang in China?

In my opinion, it was significantly crucial for DMG to cultivate guanxi and guanxiwang in China because there are a number of Chinese laws and regulations that would have never allowed them to do business without guanxi and guanxiwang. In China, guanxi and guanxiwang are highly regarded as some of the most important mechanisms required for the successful establishment of long term business relationships.

2. What does the experience of DMG reveal to us about the how things work in China?

The experience of DMG highlights the significance of cultural influence in the Modern Chinese society as well as the challenges that Foreigners doing business in China are likely to face. For example, DMG's founder, Dan Mintz soon realized that China is a highly conservative society where people and businesses are controlled by stringent rules and restrictions as opposed to most Western cultures (Chiang, 2000). Consequently any business that would have tried to obey all the regulations and rules rather than find a way around them would have probably failed to achieve its objectives because in China, restrictions are virtually everywhere.

3. What are some of the ethical issues that might arise when using guanxiwang to get things done in China?

There are a number of serious ethical issues that are likely to arise when using guanxiwang as a means of getting things done in the Chinese society. For example, the reciprocal nature of relationships and connections involved can potentially pose a serious ethical challenge in the event that a partner

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requests the business to return a favor. This therefore suggests that a Western business that is committed to ethical standards should always set some limits when using guanxiwang to ensure that it does not amount to bribery.

References

Chiang, L. (2000). *Doing business in China: Management and organizations in the Chinese Context*. London: MacMillan Press.