

Haier corporation

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Haier is considered to be one of China's top 100 firms. It specializes in manufacturing, financial services, and technology research. The Group was founded in 1984 in Qingdao, Shandong Province, China. It started as a home appliance manufacturing firm and grew to what it is today—a brand that encompasses white goods and financial products. Haier's operation is an example of reverse globalization. Haier might dominate the world market a decade from now, just as Toyota did. Production, which used to be outsourced by the United States, is moving into American soil. This would do some good for the American economy. Jobs would be provided, and consumers would have money to spend. There would be a multiplier effect, which in everyday parlance means that the increase in GNP is greater than the initial amount of money spent. The firm's apparent success lies in its 4-step strategy of brand building, diversification, international globalization, and global branding. Led by CEO Zhang Ruimin, Haier first strengthened its brand image and core, after which, it expanded production from basic home appliances to the innovation of existing ones. It has then globalized by exporting its products and locating its production in other countries. At present, Haier is at the global branding stage of development, wherein its products are created to fit the local tastes of the various markets it caters to. Haier's expansion policy can be likened to McDonald's business approach of fitting the menu into the country's palate.

Reference

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