# Quantum physics

Economics, Insurance

However, it must be noted that the European Debt Crisis is still going on in most of the European countries, and thus, It might be more favorable for Ping An to focus on the Salsa- Pacific market where most of the markets are still emerging and most importantly, hose markets have low correlation with the impact of global economy crisis due to lesser trading activities with those countries affected by the crisis.

In order to penetrate successfully Into emerging market and less developed countries such as India, Vietnam and Africa, one needs to understand several factors relating to the target markets such as local cultural & customary practices, size & scope of possible opportunities, understand needs and wants of consumers and observe how the services are used In the market and by whom. Moreover, the strategy Ping An choose o pursue foreign market opportunities usually depends on a number of factors including cost of alternative strategies, the amount of inherent risks involved, government regulations and local market conditions.

While asset management had been slow to take off in most developed countries, insurance sectors are growing rapidly In emerging economies. Supported by favorable macroeconomic factors including population growth and rising income levels such as the case of India where the Indian insurance industry emerged as one of the fastest developing markets of he global insurance industry (MoneyControl 2011). Some of the market entry strategies that Ping An could use Include setting up wholly owned subsidiaries In these emerging market.

This Is when 100% of the substandard common stock Is owned by Ping An. With such strategy, Ping An could introduce its insurance products to the locals according to their needs and wants. Moreover, in order to compete with the rest of the insurance companies in India, Ping An would need to engage in product Innovation so as to better match the risk profile of policy holders and making ales and marketing more responsible & answerable (Parker 2012). Ping An could also engage in less risky strategy such as partnering with the local insurance companies or Joint ventures.

A Joint venture Is a strategic alliance where 2 or more parties, usually businesses, form a partnership to share markets, Intellectual property, assets, knowledge and profits. Such strategy is deemed to be less risky since the local partnership might provide Ping An access to greater resources including, specialized staff andtechnology. Moreover, local companies would have greater understanding of the local's needs and wants, allowing Ping An to customize insurance products that suits the needs of policy holders.

However, it must be noted that the main disadvantage of such strategy is that in most joint ventures, objectives are usually not 100% clear and communicated with everyone involved, thus this could lead to unwanted dispute between parties (Allen 2011). Last but not least, Ping An could also engage In foreign direct Investment by purchasing the shares of another insurance company in the emerging market. For example, India recently has 1 OFF companies (Chuddar and Kola 2014). Such opening of the sector could be consider as an opportunity for Ping An to penetrate into the large IIS$ 66. Billion Indian market (FIEF 2014). However, rigid due diligence must be done about the local insurance companies prior investing to prevent any mishaps or poor performance of the company. In conclusion, Ping An could consider engaging in these market entry strategies that have been posit earlier but there is a need to weigh both the advantages and disadvantages of executing these different strategy so as to ensure a successful global expansion of Ping An insurance business.