

# Google and china case analysis

[Countries](#), [China](#)



BUS 421 Final: Case Scenario #1 Thomas Edison State College October 2012  
Emily Schemelia Executive Summary Case Scenario # 1 Given the increasing regulations of the Internet and email by the Government of China, recommend to the CEO of Google whether the company should continue to operate in China, the world's fastest and among the largest growth markets. Google should definitely continue operations in China, even if it means limiting the amount of information that is disseminated to Google China.

While filtering information is the opposite of everything Google stands for, Google can still disseminate information to the Chinese public while abiding by the information laws set up by the Chinese Government. The fact is that if Google doesn't provide its information services to China, not only will a competitor step in and abide by the Chinese Government limitations on information, but the information that it would disseminate may be far less superior.

Therefore, in the hope that the Chinese Government decrease its information limitations, Google should provide its service to China as China comprises over 1.3 billion people and has the power of not only furthering Google, but the world as well. In my research, the point of discussion is whether Google should move out or not, and why or why not. In this paper I will be presenting issues in regards to the markets in China and the advantages that these markets have for Google in order to continue its operations.

I will also discuss in the various challenges and problems that Google faces in China. Marketing in China: China is a very large country and the population of the country is also very large. China provides various business opportunities around the world and that Google is one of them. Many

companies had taken the chance of venturing into the Chinese markets and most of them are making great progress. They are all there for the purpose of making sure that they achieve their targets to a higher level (Bracker, 2011).

The Chinese markets are very unique and China has the ability to attract all different kinds of companies on a larger level. Because of this, there is a case that companies like Google, look forward to making sure that they penetrate the market in order to produce better outcomes, which also leads to a fast growth for the organization. The economy in China is doing well. China has in its recent years reached financial stability. This is due to the fact that there is a high level of domestic demand. Because of this, many companies around the world begin to invest in the Chinese market.

China is also one of the fastest growing when it comes to InformationTechnology and has been able to attract companies such as Google and even Microsoft. It has been forecasted that the Internet industry in China is expected to increase at a rate of about ten percent within the next five years. This is great news because Google will be able to benefit. Advantages of Doing Business in China: As mentioned previously, there are many organizations around the whole world that perform their business in China. They do business in China due to the fact that China has a reliable market.

It is also expected that the organizations doing business in China will continue to grow. Some advantages of doing business in China are that it is a major emerging market around the world. Also there are a lot of opportunities for organizations to invest in China for a longer period of time

due to expanding of technology and resources. Another advantage is that there is cheap labor, which helps many companies succeed. With the availability of cheap labor can result in the reduction of cost for the companies that invest in China.

Challenges of Working in China: Like any other country, there are some challenges associated when doing business in China. An organization intending on conducting business in China should consider various important things prior to moving forward in actually doing business. If they do not consider certain things, then the company may be lead into trouble, which can endanger the companies investments. One major challenge in doing business in China is the difference inculture. Most Chinese people do not speak English, and the few that do have a very unique accent.

Because of this, Google needs to be able to respect and try to hire employees who are familiar in this accent so that they will be able to communicate with people domestically. Another challenge in relation to conducting business in China is intense competition from domestic companies. In addition to this, a company should perform their activities in a manner that attracts the acceptance of its products by the customers in the domestic market. Based on when was mentioned above, it can be said that there is a definite case of certain challenges for foreign companies like Google in China.

If success has to be achieved, then Google need to work against these challenges in a proper manner so that Google can stay in China and wont be put in jeopardy. Decision to Continue Working in China: Putting all these factors into consideration, Google has to take a make a firm decision in whether they should continue to operate in China, or not. Google has to

consider that there is huge growth in their markets and that even with the limitation on some information available, that they can still make progress in their growth. Because of this, Google should continue operating in China into the future (Weiss, 2008).

Google needs to do a thorough review of the Chinese markets and take into consideration of all the financial implications associated with the potential of moving their business out of this market. The market in China is one of the strongest and largest in the world and if Google continues to operate in the country, then it is obvious that that they will have various benefits that will be available for its growth now as well as in the future. All the new progress being made in China will help Google to stay in the market. Though there are restrictions doesn't mean that Google cannot operate in the country.

Google has to consider the financial benefits it will gain if it decides to stay in the market. Taking this into consideration, Google should always continue its business on China. Google needs to expand its operations so that the benefits of China and its services can be appreciated to its full extent. Conclusion: In conclusion, Google should strongly consider continuing their business relationship with China. On the basis of the above discussion, it can be said that though there are various problems for Google in China, the financial benefits of working in China are much higher than if they were to move out.

With all the factors to consider, Google should definitely continue its operations in China now and in the future. References Thompson, A. A, Peteraf, A. A. , Strickland, L. Gamble, E. J. ( 2012). Crafting and Executing Strategy: The Quest for Competitive Advantage-Concepts and Cases 18th ed.

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