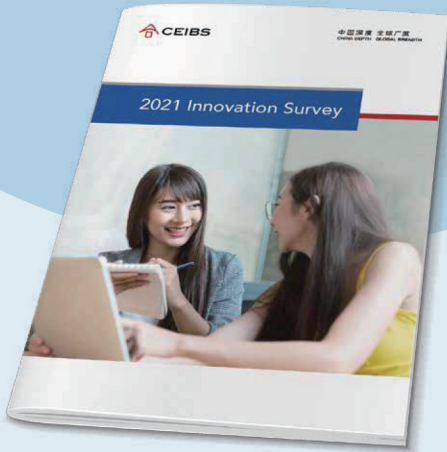


CEIBS Surveys and Reports

01

CEIBS 2021 Innovation Survey

Focus on competition driving innovation in China



Intense competition and the desire to gain first mover advantage are amongst the most important reasons companies need to innovate, according to the CEIBS 2021 Innovation Survey.

“If you want to survive in China you need to innovate. You can’t stop. Otherwise your competitors will eat your market and you will have a slow death,” CEIBS Professor Juan Fernandez says.

The survey collected feedback from 950 respondents (95% of whom worked for China-based companies) and was co-authored by Prof. Fernandez along with CEIBS Professors Emily David and Sophie Chen and University of Zaragoza’s Maria J. Puyuelo.

“We really wanted to use the survey to get a better understanding of how those operating in China and elsewhere view innovation and what companies are currently doing to help foster innovative climates,” Prof. Chen explains.

Amongst other things, the survey dug into some important outcomes associated with innovation, such as the impact of innovation on employee attitudes and retention.

“Our results show that higher levels of innovation significantly increase the likelihood that employees will stay with their company. Thus, managers should work hard to foster innovation as a way to retain talent,” Prof. David says.

Ultimately, promoting innovation is also something that has to be sustained. It is not a simple, one-time act.

“You can change your website. You can start selling online. These are relatively easy thing to do. But, when you want to change the mind-set of people, it really has to be an on-going thing that starts with leaders,” Prof. Fernandez says.

02

2021 China Business Survey Report

Have businesses fully recovered in China?



One year on from the beginning of the COVID-19 pandemic, how have China-based enterprises fared? According to a recent survey by CEIBS faculty, the answer is, it depends. In the wake of COVID-19, service sector revenues in China were down an average 12.3% compared to 7.6% for manufacturing, suggesting a longer path back to normality for the former.

The annual China Business Survey Report, carried out by professors Howei Wu, Bin Xu, Dongsheng Zhou, questioned more than 1,188 executives (95% of whom were CEIBS alumni or students).

An equivalent investigation carried out by the team last year predicted revenues for both manufacturing and services would recover to 80% of their pre-epidemic levels by the end of 2020 Q2. However, the investigation this year has shown that only 40.7% of manufacturing enterprises saw their business activities restored by 80%, by the end of that time, while the service sector was even lower, standing at a mere 34.8%. The research also showed that as of April this year 6.6% of manufacturing enterprises and 9.6% of service companies were still below 80% of their normal operating levels, indicating the impact the pandemic has endured longer than expected.

Last year's report showed that in terms of human resources management, most enterprises abstained from layoffs and pay cuts. This year's findings show the labour market is better than expected, with an expansion of recruitment in some sectors and enterprises. In terms of compensation, this year more than 40% enterprises have awarded pay rises.

The research also looked at executives' outlook for doing business in China for the next few years, with findings suggesting that foreign companies were concerned about how the relationship between China and Western countries will evolve. But all types of organisations surveyed generally agreed the business environment in China had improved over the past five years. By industry, research showed confidence in the next five years shot up in services, catering, real estate, logistics and retailing, but fell in education.

Based on our report, we can see that although the trajectories of various China-based enterprises differ, in general recovery is still anticipated and executives' responses to this survey largely demonstrate firm confidence in the future of China's economy.

03



2020 CMO Survey Report in China

Otaku economy driving companies to accelerate content marketing

The 2021 edition of the annual CEIBS China CMO Survey Report features input from more than 300 companies, with CEIBS CMO students and alumni accounting for 83% of respondents and women decision makers accounting for 34%. In terms of industries, participants hailed from more than a dozen industries, including both B2B and B2C companies ranging from under 30 million RMB to more than 5 billion RMB in value.

The survey was conducted from December 1-16, 2020 and was updated from previous years to address trending topics such as the impact of the COVID-19 pandemic and live-streaming ecommerce. This year's report covers six general themes:

- Macro environment
- Marketing structures and expenditures
- Customer relations
- Company growth and performance
- Channel structures and performance
- Marketing organisations and leadership

Key findings from the report include:

- 1** Respondents were generally favourable towards China's economic prospects (and more optimistic than in 2019)
- 2** 60% of respondents stated the pandemic has had a negative impact on their business
- 3** Corporate growth has seen an overall slowdown
- 4** More companies are investing in product development than in marketing
- 5** Companies are taking a conservative approach to investing in future growth strategies
- 6** Traditional media is in decline while content marketing is increasing
- 7** 41% of companies have adopted livestreaming sales
- 8** While driving growth remains a priority for marketing functions, the importance of understanding changing trends has soared

04

2021 CEIBS CSR White Paper

Companies seeking resilience in changing times



The pandemic has caused much disruption but has also created opportunities to change for the better, according to the CEIBS Corporate Social Responsibility White Paper 2021.

The latest edition of the annual report looks how COVID-19 has affected various individual areas within the realm of CSR and gives insights into how firms can deal with these difficulties, whilst staying true to their social commitments.

Developing a robust mind-set to deal with the challenges of the pandemic is important for companies, who are now more in need of building resilience and cultivating repair capabilities than at any other time.

“At the point when society and the environment are undergoing profound changes, only companies with resilience can stand their ground, and have better odds of grasping opportunities and keeping up with the times,” says CEIBS Professor Emeritus Lydia Price, one of the authors of the white paper.

As we move towards a post-pandemic time, firms should take on more social responsibilities. To this end, recent developments in China’s financial environment have moved in a positive direction.

“Whether in terms of quantity, quality or form, the CSR activities of listed Chinese companies show positive growth, and their standards are being geared to international ones,” says CEIBS Professor of Finance and Accounting Oliver Rui, another one of the paper’s co-authors.

As CEIBS Professor of Management Kim Tae-Yeol explains, the impact of the pandemic on human resources cannot be overstated. Moreover, caring for employees should be considered an essential aspect of CSR policy.

“Managers should understand the detailed needs of every single employee and adjust their job responsibilities accordingly to keep them positive, enthusiastic and engaged,” he says.

Finally, the report also focuses on the value of sustainability and responsible business and how national policymakers can strike a balance between economic development and environmental protection.