# HOW DO U.S. MEDIA CORPORATIONS ADAPT TO THE CHINESE MEDIA INDUSTRY? SPECIFIC PROBLEMS AND SOLUTIONS IN A MAGAZINE BUSINESS MODEL

by

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#### **ABSTRACT**

When an American media firm attempts to partner with a media organization in China, the U.S. company must adapt its business model because there is a cultural gap in media organizations, such as the differences in the management culture of the United States and China newsrooms. This study explores why the magazine market is a reliable and profitable way to open the door of China to foreign media firms.

There are several cultural aspects a global media company should consider when they are planning a marketing strategy for China. Among these are the difference of management culture, the difference of the content culture and the difference of the relationship between journalists and their sources. All cultural issues may require separate solutions for any foreign media company planning to expand their business to China. This thesis explored the cultural issues media companies face in adapting to a Chinese environment through the perspective of Sociology of News and Cultural Proximity theories.

This study bases its analysis by employing a secondary data analysis of the World Journalist study and an in-depth interview with a top media executive in China. The research demonstrates that it is essential to find a proper partner in China and allow for some independence for reader gratification. Both sides of the partnership need to learn how to keep mutual noninterference with each other in their workforce.

#### 1. INTRODUCTION

The changing of a business model is inevitable for every foreign media corporation that plans to open the door to business in China, especially for companies based in the Western culture because of the cultural gap between Asia and the West. For a media firm, finding the solution to cover the gap is more difficult than in any other industry because their employees are not only the workers who need to be managed with following a global marketing strategy, but are also creative producers or designers who need freedom to operate. In fact, there is no universal solution for this gap, but we can try to find out how to balance these complex situations for achieving the best result. This study concentrated on finding the points that can be balanced when a foreign media company attempts to expand their business in China. This study analyzes such strategies through the magazine industry, due to their reasonable solutions and growing popular among millions of middle-size media ("The Statistics Portal," 2017).

Because of the rapid growth of the commercial market in China, many foreign magazines have been coming to China from all over the world, but just a few of them achieve business success, especially for those that come from the United States. The reasons are twofold: one is the success of choosing a suitable Chinese partner; another is the success of adapting to the local business climate.

Every foreign media company that wants to do business in China must comply with a partnership policy, which means a Chinese partner is needed as a prerequisite (Ha Jin, 2008). In China, media companies cannot be private. They all are under the

administration of the government. The difference among them is the level of control (Ha Jin, 2008). For example, because TV, Internet and newspapers usually have a high influence in the public, the government normally pays more attention to them than to magazines (Holtz & Michael, 2017). Meanwhile, social and political issues are more sensitive than other news, such as fashion news or business stories. Journalists who focus on those lifestyle fields have more freedom of selecting what news they write about. In short, magazines have fewer readers than other media products and concentrate more on the lifestyle news areas, but ironically, the magazines are the most thriving and marketable media industry in China because they stay out of the Chinese propaganda department's attention. Magazines are one of the few media products that attract foreign media companies to participate in the Chinese market. However, foreign companies have to find a Chinese partner first because the government has suspended the licenses for new media business, no matter whether it is for locals or foreigners (Ha Jin, 2008). All in all, how suitable the Chinese partner is and how to establish a good relationship with them is be essential for future success.

Inevitably, although the U.S. media firms share the same media strategy with China, the difference of culture is a big barrier for a U.S. media company. They both have to constantly create feature content to satisfy their readers. However, the existing strategies of an international newsroom that plans to engage local readers in another region with different cultures is not sufficient. The reason is that creating content cannot be decontextualized from where this content will be consumed. How do they gratify the local readers while keeping their international content? How do they deal with a giant diverse delivering map in China? Those are some of the challenges this study addresses.

However, in contrast with the U.S. magazine industry climate, the Chinese media environment is different, and we can distinguish this issue into the following two aspects: external environment and internal environment.

For the external environment, since China joined the WTO (World Trade Organization) in 2001, the Chinese media industry rapidly became the fastest-growing market of advertising revenue in the world (Pasadeos, 2012), due largely to China's rapidly rising middle class (Strude & Chen, 2012). Based on the data from Marketing to China's Middle Class, almost 300 million people in 2012 had "significant discretionary spending power" (Hong Li, 2014, p11) Furthermore, according to relevant data from Forbes China (2014), roughly \$213,900 per capita can be spent on purchasing, so retailers are paying increasing attention to what China's middle class wants. The result is that retailers are spending an enormous advertisement budget on mass media for the exposure of their commodity and brand. According to Nielsen Media Research (2012), China's advertising costs have grown at the rate of 20% a year, reaching U.S. \$37 billion in 2005 ("Nielsen Media Research," 2012). The top five categories of advertisers included pharmaceutical, cosmetics, real estate, food and retail and service. For instance, the expenditure of the pharmaceutical sector is roughly \$6.5 billion (Nielsen Media Research, 2012).

Because of the large number of advertising expenditures, many foreign media corporations have entered the media market in China in recent years, and many local media participants have grown rapidly, too. According to the analysis of FIPP (2009), the growth rate of western publishing houses in advertisement spending increased to 20% (Strube, 2010). For example, the four most successful western publishing houses that

have entered China are the following: Machete Filipacchi Media (HFM), Hearst Corporation, Gruner + Jahr, and Conde Nast (Strube, 2010). They have different entry strategies, some under a copyright cooperation and others have a joint venture membership, but most of them are savvy and profitable (Strube, 2010). Conde Nast is one example. It is a subsidiary of the U.S. media company Advance Publications that has published 126 titles in 23 countries and has internationalized its activities since 1916. The company started its business in the Chinese media market with Modern Bride in 2001, Vogue in 2005, SELF in 2007 and GQ in 2009 (Strube, 2010).

Indeed, these media products, which are published by foreign partners, are usually on the top list of the advertising spending budget of foreign advertisers. However, local advertisers are more interested in local media corporations because of their widespread map of distribution (Walters, 2003). Local advertisers are more concerned with how to target potential customers efficiently instead of building a brand. For example, *CAIJING* (a business magazine) and Modern Weekly (a lifestyle magazine) both have revenues over RMB200 million (U.S. \$32 million).

Many competitors have joined the internal environment; however, the growing rate of the advertising budget has not kept up with the pace. Therefore, advertisers become more demanding and harder to satisfy. Advertisers ask for more space on the cover, more attractive ad copy, and even more account managers to reflect on their requirements.

However, based on the Chinese culture, the right person should be the publisher or general manager in a media corporation. Chinese editors regard their chief editor as a "role model" who recognizes and rewards their work (Strube & Chen, 2010). They avoid

saying "no" to their managers at a higher level even if their leaders make an apparent mistake. Another aspect is the lack of well-trained workers in the media industry. "The demand for good quality content is high, but there is a lack of well-educated and experienced editors and media managers" (Strube, 2010, p.73).

In sum, elite producers and managers are both looking for creative ideas and good management methods. As Schudson indicated, high-level executives need to encourage and help journalists to produce high quality content (2003).

Two fundamental questions drive my study. One is the difference between China and the United States regarding how much freedom a journalist has, such as in selecting and deciding which aspects of what stories they work on. Another is the difference between how China and the United States conceive reporting practices and management culture. Ultimately, this study seeks to identify a model for global media in its adaption to the Chinese market.

To answer questions, I use quantitative research methods to discover the fundamental knowledge about what the exactly differences of the media environment in the United States and China; then, I use qualitative research methods to help me to draw an in-depth consideration of a media practitioner.

#### 2. LITERATURE REVIEW

For the Chinese market

The magazine industry has never been a profitable one in comparison to other media in China, such as TV or broadcast. Magazines are often the first step that foreign media groups are willing to invest in, even some of them are not typically a print-based media organization (De Giorgi & Laura, 2014). For instance, the first project of the BBC in China was surprisingly a little known magazine *Top Gear*. The reason for this first project is the complicated environment and heavy censorship in China; foreign media are cautious when trying to bypass the government propaganda department's attention. In short, short-term revenue is not the goal that any foreign media should expect. Long-term strategies are necessary.

Moreover, the propaganda issue in Chinese media is a very sensitive item, especially for the media who focus on business or politics. Because of the limited political freedom in an authoritarian regime in China, the government limits their potential for critiques (Repnikova, 2014), A department of government—Propaganda Department— establishes a framework that asserts limited freedom (Ha Jin, 2008).

A key policy for media companies wanting to expand to China is that every foreign organization has to cooperate with a local organization within the same business field if they want to get the permission to market their media products in China (De Giorgi & Laura, 2014). Therefore, businesses need to know how to arrange work with their Chinese counterpart while keeping their own core competence.

Global media may also struggle with marketing to the highly diverse and huge population in China (Yau, Oliver, 1994). Localized content may be one of the struggles

but not the biggest one for a foreign media because they normally just translate the English to the Chinese while not revising too much. However, how to attract people's attention among different cities is a big issue. Because of a greater degree of uneven development, the process that people receive information is disparate among different cities. Foreign media companies have to learn how to establish an efficient delivering system, or what is called a target marketing strategy. For example, people in Beijing and Shanghai are prone to trust the opinion leader's recommendation, such as a fashion blogger or a senior stock commentator. If the blogger suggests a certain media product that sounds credible, the rate of engagement will increase. However, people in Chengdu and Kunming might prefer their peers' or neighbors' opinion. In those areas, a new media product needs to set up more marketing events, such as putting an introduction poster at a conspicuous position on the first floor of a popular shopping mall.

In contrast, U.S. customer behavior is not as diverse as in China, and media companies do not need to create differentiate marketing strategies for gratifying their potential subscribers. Utilizing the social media as a necessary tool to draw the customers' attention is popular in the U.S. nationwide. Compared with 52.2% internet users in China, there are 88.5% internet users in the United States ("Internet live stats," 2016). No matter whether people are living in a major city or a countryside area, they are used to observing new information from social media rather than a physical promotion event (Social Media Fact Sheet, 2017). According to Ashish Kumar's study (2016), many U.S. organizations have embraced social media to engage their customers, and they even have a series of measures and policies to evaluate the effect of the social media engagement on customer purchase behavior.

Newsroom management in China and the United States

In China, there are several main positions in a newsroom: journalists, reporters and designers. A sophisticated chief editor who knows how to make a rational working rule is not enough. He or she needs to constantly encourage their teammates to be most willing to work together.

Moreover, the difference of people's self-identification would affect the relationships of the team members significantly. For example, a leader can demand more respect from other team members in China, and the reason may be just because of the job title/position rather than the leader himself or herself. An employee has to follow his or her rules because he or she is their leader, but at the same time, the leader must be personally responsible for any mistakes in the teamwork. In China, that is a generally accepted responsibility (Peng & Chen, 2016).

In the United States, newsrooms are more team-based with a flat organizational structure rather than a top-down hierarchy as in China. As Peter Gade indicated in his study (2008), because the traditional mass media model has been changed in the past decade, newsrooms are also being restructured to become more reader oriented and market driven. Therefore, in terms of the marketing needs, the editors and journalists are constantly required to work with non-news departments. It is safe to say there is not an absolute leader in a newsroom, and everyone can be a temporary leader in a certain project (Gade, 2008).

Foreign media companies attempting to enter the Chinese market must build a positive working relationship between their headquarters and the local office. Interacting with individuals is very different in western culture compared to Asian culture. In

Western culture, people prefer to express their opinions directly (Srivastava, 2016) but there is a different approach in China. People in China are more likely to follow a decision that is made by their leader no matter if they personally like or dislike the decision or the leader. In other words, if a leader has a broad view or open mind, this may influence whether the result of a media project is going to have a positive track or negative one. How to cooperate with their local senior managers and show them respect would be a key point in solving the management problem in China.

News audience in China: Breaking news in moderation

In China, people prefer to read a rich feature rather than a piece of breaking news. This tendency may come from traditional Asian culture, which is moderation. In Asian culture, people constantly try to avoid the direct way of expression, no matter whom they are talking to. For example, when a person strongly disagrees with another person's opinion, they normally just do not talk to that person and leave rather than tell the person the true reason. Because of this custom, Chinese people are also unwilling to read a critical news story with too many sharp-pointed opinions. A completed story with all possible pros and cons may be more likely to attract Chinese audience's attention (Long & Zeng, 2016).

Behavior of journalist—interviewee in China

According to my own observations in my working environment in the United States, relationships are primarily a professional connection, which means both sides do not need to put too much effort into building a close connection with each other. In China, there is almost an opposite situation. From the business side of the company, the

public relations department prefers to invite a journalist who is easy to deal with to participate in their press conference. From the side of the media, the journalists prefer to contribute the news coverage to the sources with whom they are more familiar. Chinese people are more willing to read a vivid feature story rather than a critical article.

Therefore, journalists are eager to find a rich story while the public relations department is looking for a friendly storywriter.

Hence, because they do not have a sense of hostility, journalists and the public relations department are easily friendly to each other and establish a close personal relationship. On the other hand, some unethical behaviors happen because of the unprofessional relationship (Long & Zeng, 2016). For example, a company's press conference usually would prepare many fantastic gifts for the journalists, such as free airfare and a free night at a five-star hotel. As a journalist, because they normally receive those kinds of gifts from every event they attend, those gifts would not influence their professional point of view too much, but without those benefits, they normally would write few words about the press conference.

In contrast, journalism students in the United States are educated to be professional. "Watchdog" and "gatekeeper" journalists in the United States use these words to describe their positions. For example, in Aimei Yang's study (2015), the scholar claimed that "journalists see their role as a watchdog over government and business interests while perceiving public relations' role as representing powerful interests in the public sphere" (p. 146). Therefore, journalists in the United States do not prefer to tie with an interviewee personally because they do not want this close relationship to influence their objective judgment.

It is not easy to find an exact list about how many foreign media brands have published their Chinese version in China because each is named as their Chinese partner's name on the official publications list, while they sell by their own publication's name. For example, people may be familiar with ELLE—the national name of a fashion magazine but even many Chinese audiences do not know their official name is 世界时装之苑 in China. However, people can find almost all of the popular international magazine brands on every newsstand or bookstall in recent years in China. In my experience, I have seen several magazines that are published in the United States in China as well.

#### 3. THEORY

The sociology of news

According to Schudson, a journalist's work reflects the view of their personal social perspective rather than "the views of officials whose positions they are reporting" (Schudson, 2011). In Schudson's point of view, the ability of gathering news is one of the most important skills that a journalist should have. However, how objective their productions appear is not an essential part of the evaluation of a journalist's job performance. Journalists or reporters write down an article in terms of their personal social learning or the media's social backgrounds in which they are working for. Those journalists and reporters may be termed "progressive" by their unconscious social bias. Therefore, news is a reflection of such perspectives.

This theory supports the cultural content part of my argument. When a global media organization is planning to move their business to a different country, the first important problem that they would have to face is how to make their content localized. For instance, an American newsroom has established a positive reputation because their content is able to reflect the most popular social perspective accurately, which means their journalists' ability of gathering the dominated local news is strong. In other words, those skillful journalists who are working for the American newsroom should have a strong network in the United States. However, can those experiences be transferred to China? Given the differences in social culture, these transferences would be difficult. Diagnosing Chinese popular social perspective and establishing an effective network are difficult long-term tasks. There are solutions for their problems, which are first to hire

local employees to build a network and, second, to generate localized content for the American newsroom. However, how does the newsroom balance the percentage of the international news and local news? And how possible is it that the quality of their local news can equal or beat the local newsroom?

In summary, establishing attractive content is necessary no matter where. Many failed cases reveal an initial brand reputation is nothing if the global media ignores their localized strategy. A prime example is the case of *Sports Illustrated* in China. *Sports Illustrated* is a famous prestigious magazine in the United States, but it performs very poorly in the Chinese version. As the general manager of *Sports Illustrated* in China, Jiantao Zhuang, said (2011): there are indeed many struggles for establishing a local strategy in China, from a headquarters' perspective, such as different restrictions in terms of advertisements Law of China. In China, the advertisements of dietary supplements are forbidden, and this is a major revenue source of *Sports Illustrated* in the United States. That, coupled with the lack of vitality in the sports market in China, which is very different in comparison to the United States, harmed the potential for a good performance by the magazine in China. However, the headquarters did nothing to modify or adjust to these differences. *Sports Illustrated* in China stopped their print version in 2015 and the digital version ended in 2016.

The Uses and Gratification (U&G)

Unlike the Sociology of News that focuses on producers, Uses and Gratifications (U&G) is an audience-centered theory. U&G attempts to answer "what do people do with media" rather than "what does media do to people?" Initially, uses and gratifications have been used to attract and hold audiences to the kinds of media and the types of content that satisfy their social and psychological needs (Cantril, 1942). Ruggiero (2000) went further. Ruggiero suggested that researchers need to pay more attention on exploring interpersonal and qualitative aspects of mediated communication in a more holistic methodology, which means not as likely to focus on using traditional tools. Therefore, this theory could enlighten the content producers or publishers to streamline the numerous elements of the publication to be organized well and be delivered purposively. This theory is particularly suitable for a foreign media company looking for a global strategy in a new market.

There is previous research in the same area that focuses on the fashion field. Zhengjia Liu (2012) used the uses and gratifications perspective to examine the use and gratification of a foreign fashion magazine —ELLE—in China, especially in ShangHai—one of the three major cities in China. Zhengjia indicated that since this magazine has insisted on updating their content direction frequently, the number of their readers has not fluctuated too much. For example, to attract millennials who are the majority of their audience today, the newsroom changed their cover design, which is rarely to be changed in general because it is an important identification for a media production.

Uses and Gratifications Theory helps understand how the uses for and gratifications sought for the same media product can be so different in an audience in

China and in the United States, but does not help understand content. In China, because of the giant geographical area and the huge amount of population, an efficient delivering system and diversity marketing strategy are as important as the content. For attracting people's attention in Beijing or Shanghai, the recommendations that come from opinion leaders is highly useful, such as fashion bloggers and professional exporters (Zhengjia Liu, 2012). In these major cities, people usually spend time on social media to follow their favorite opinion leaders and are interested in trying new things. However, in Chengdu or Kunming, people are more conservative and care more about what's happening in their everyday life. Therefore, the marketing events and the content should be more close to their daily life. For example, the global media may create some promotion events within the local shopping malls or the community universities.

## **Cultural Proximity**

Thomas Ksiazek's (2008) explanation of Cultural Proximity resembles some concepts of Sociology of News. Those two theories relate to how media content reflects the given culture. However, Cultural Proximity concentrates more on the influence of the linguistic struggle for an international media that attempts to participate in a foreign competition. In terms of Ksiazek, Cultural Proximity exists on multiple levels with the audience's self-identity. Hence, the audience's personal perspective comes from their unique language region, such as Spanish for Latin America and Chinese for East and Southeast Asia as well. For instance, people from Chile would prefer content produced in Mexico to content produced in the United States. Chia-Hung (2015) uses Cultural Proximity to examine the culture value in the film "Co-Produced Movies by Mainland China, Hong Kong and Taiwan." Although those three regions share the same language,

same history and even same ethnics groups, there still exist cultural differences among the three areas. According to Hung's (2015) research, co-produced movies do not always achieve their expected profits. Therefore, since there is a wider gap of cultural values between China and the United States, how do global media deal with this difficult situation and reach a common agreement?

This theory helps us understand a global media's strategy for the Chinese market. Even though the exclusive translation from English to Chinese can be perfect and vivid, people in China may still feel confused about the key point that an American author is attempting to express. Meanwhile, the journalists of that global media in China would have to face a similar problem—how to persuade their chief editor in the headquarters to accept their topics. For example, the issue of public relations between a company and its local government in China is important and sensitive, but the chief editor may not agree with leaving more room for this type of news because he or she needs to satisfy their original audience in the United States.

Moreover, this theory can be used to explain why the internal communication is important between the headquarters and their local office in China. Whenever they can understand and accept each other completely, a clear overall image of the media product can be transmitted to the audience.

Overall, these three theories can possibility answer my initial research goal, which is to provide a relevant business model or underlying principle for foreign media companies who try to open their global strategies. Thus, the Sociology of News theory may help people to redesign their media products for a certain market with a different given culture; the Uses and Gratifications theory may constantly remind the executives to

understand their local audience and clients as much as possible; remarkably, Cultural Proximity can warn the executives that to organize a local team is inevitable because of the language barrier.

Considering the cultural differences at the producer and audience levels, but given the market potential for U.S. media and magazines in particular to enter China, I propose the following research questions:

- RQ1. What are the differences in the perception of which professional skills are essential between the United States and China?
- RQ2. What are the differences in the approaches of ethical issues between the United States and China?
- RQ3: In terms of the difference of management culture, how does a foreign headquarter inspire and cooperate with their employees in China?
- RQ4: How do global media adapt to the Chinese environment in relation to relevant topics for Chinese audiences?

#### 4. METHODOLOGY

My study focuses on two sequence steps, one is to find the significance differences between the United States and China about the media environment in general; another step is to try to generalize the business model for foreign media companies that plan to open a business in China. Therefore, combined quantitative and qualitative design can be used because one method can be used sequentially to help inform the other method (Greene, 1989).

First, quantitative research methods can help me to generalize the findings from a sample of responses to a population (Creswell, 1994). Through the data collection process of asking questions of people, researchers can use statistics to analyze the data for achieving numeric descriptions of some fraction of the population-the sample (Fowler, 1988).

Meanwhile, qualitative research methods are primarily concerned with the process and how people make sense of their experiences, which can help me to describe the meaning and understanding gained through words (Merriam, 1988). Moreover, for achieving a personal perspective of a media executive, interviews and personal observation are efficient ways to collect useful information.

Methods--Quantitative

Secondary data analysis:

To answer research questions one and two conceive the differences and similarities of journalism in the United States and in China, secondary data analysis of a survey conducted by the Worlds of Journalism project (The WJS 2012-2016 Study, 2016). Many scholars around the world are trying to find the difference of media management culture within multiple countries. The Worlds of Journalism is one of the credible research institutes that can provide this type of data in this field. According to one of the recent WJS (2007-2011), they gathered researchers from 67 countries from around the world (including China and the United States), have interviewed over 27,500 journalists total, and analyzed data in 2016. Their survey addressed a wide range of issues faced by journalists and news organizations today, such as journalism's place in society, ethical views of journalists, autonomy and influences in the news, journalistic trust in public institutions, and the transformation of journalism in the broadest sense. Based on their database. This study analyzes data from the surveys administered in the years 2012-2016 and focuses only on China and the United States. I use the questions that related to the struggle of media management within China and the United States. Roughly, there were 600 Chinese journalists and 414 American journalists who were interviewed (2012-2015). According to the Worlds of Journalism, the demographical information about the sample is as follows: Of the 414 American journalists surveyed, the typical American journalist is a white, college-educated, 47-year-old man who specialized in journalism or communication in his university degree program; of the 646 interviewed Chinese

journalists, 326 were women (50.5). On average, Chinese journalists were 33.90 years, and a majority (76.5%) had specialized in communication or journalism (WJS, 2016).

From the original data, it's difficult to distinguish if the Chinese respondents come from mainland or from Hong Kong. Because the media climate of newsroom in Hong Kong is more close to that in the Western culture, their perspectives could be quite different than those of the China group. However, since Hong Kong was returned to China in 1997 from the British, their media environment has less freedom and is getting closer to the mainland media environment today. Moreover, the number of media practitioners there is far smaller than the mainland.

## Variables (from WJS)

To answer research question 1, I am analyzing the following questions:

- 1. News selection freedom: "Thinking of your work overall, how much freedom do you personally have in selecting news stories you work on? Out of a 5 points scale, I only analyzed an aggregate of agreement ("Complete freedom" and "a great deal of freedom.")
- 2. Freedom of news emphasis: How much freedom do you personally have in deciding which aspects of a story should be emphasized?" Out of a 5 points scale, I only analyzed an aggregate of agreement ("Complete freedom" and "a great deal of freedom.")
- 3. The influential considerations in work. Out of a 5 points scale, I only analyze an aggregate of agreement ("Extremely important," and "very important.")

4. The ethical concerns in the career. "Given an important story, which of the following, if any, do you think may be justified on occasion and which would you not approve of under any circumstances?" Out of a 5 points scale, I am only analyzing a high-level of agreement "Always justified."

To answer research question 2 in which is following:

- 1. The important professional skills. Out of a 5 points scale, I am only analyzing an aggregate of response of "Strongly agree," and "somewhat agree."
- 2. Potential sources of influence. "Please tell me how much influence each of the following has on your work." Out of a 5 points scale, I am only analyzing an aggregate of agreement ("Extremely influential," and "very influential.")

Methods--Qualitative

In-depth interview

To answer the research questions three and four on the U.S. and China managements strategies, I identified Harvard Business Review (HBR) as a good case for this study. Because of the heavy rigid media environment in China, it's difficult to develop an attractive localized content as a foreign business magazine, but HBR still has business success and gains good revenue. Therefore, it is interesting to see what HBR's strategies are and how they solve the struggles in China.

I contacted and interviewed the general manager of the HBR in China, Liu Xiao, through my personal professional network. This prestigious magazine has a large and loyal readership in the United States, and they certainly want to expand their influence in China. However, they failed in their first attempt. According to Liu Xiao when HBR was first introduced in China, it had a partner that lacked a good marketing understanding, and they were not able help HBR to localize content. The Chinese partner had been keeping their high production quality at that time, but their lack of business experience obstructed their potential capability of earning money. In 2011, HBR changed their Chinese partner to CAIJING, the most popular and profitable business magazine in China. So far, the Chinese version of HBR is one of the most favorite business magazines in China (hbrchina.org, 2014). Since Liu Xiao is the senior director of the delivering system of CAIJING also, and in terms of CAIJING's four hundred thousand circulation, Liu Xiao has a good understanding of the diverse Chinese endemic marketing that assures the success of HBR in China. I decided it would be more culturally sensitive to have an in-person in-depth interview, so this segment of the thesis was done in China, inperson, and included ten answers translated by me into English. The purpose of this interview was to discover how she leads her team to cooperate with the headquarters of HBR and make a distinguished business strategy for China.

After receiving IRB approval, I interviewed Ms. Xiao on May 16, 2017, at her office. The total period of the interview with her was almost one hour, and I used my smart-phone as an audio recorder at that time.

## **5. QUANTITATIVE**

## Research Questions

Based on Sociology of News, the Uses and Gratifications (U&G) and Cultural Proximity theoretical frameworks, this study proposes the following research questions:

- RQ1. What are the differences in the perception of which professional skills are essential between in the United States and China?
- RQ2. What are the differences in the approaches of ethical issues between the United States and China?

Research Findings and Discussion Quantitative

Secondary Data Analysis

To answer the first research question, which is what are the differences in the perception of which professional skills are essential between in the United States and China, I used Chi-square to analyze if there are significant differences in the perception of their skills by American and Chinese journalists.

According to the result of Chi-square,  $\chi 2 = 536.3$ , p < .05, there is a significant difference between the journalist who works in China and the United States in how they perceive they select news stories. Journalists who work in the United States believe they have significant freedom in selecting news stories (89%) compared to those who work in China. Between the United States and China (17%), all journalists have a similar working process, which needs to get the approval from their chief editors before they start writing content. According to the significant different proportions of "agreement," we can tell that the chief editors in the United States seem more open for adopting different perspectives. Another probable assumption is that the media organizations' readership in the United States may share the same interest instead of a variety of interests of audiences, so the journalists may tend to choose the same topics as the audiences.

Table 1 Freedom in selecting news stories

	N	Agreement	chi-square (p < .05)
China	652	16.6%	X2 =536.3. p< .00001
USA	408	89.2%	

Agreement: Saying "complete freedom" and "a great deal of freedom"

As the result of Chi-square indicated,  $\chi 2=377.6$ , p < .05, there is a significant difference between China and the United States about how much freedom the journalists have deciding which aspects of a story should be emphasized. Ninety-one percent Journalists in the United States reported having more power to decide what they want to write, while only 30% said so in China. Based on the different structures of governments between these two countries, American journalists have more room to report the truth as observers, while journalists in China are more likely followers because under a one-party political system, journalists have less freedom to write about political issues.

Table 2: Freedom in deciding which aspects of a story should be emphasized

	N	Agreement	chi-square (p < .05)
China	650	30.3%	X2 =377.6. p< .00001
USA	409	91.4%	

Agreement: saying "complete freedom" and "a great deal of freedom

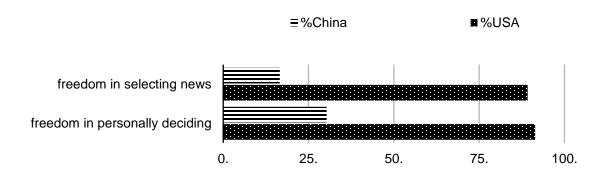


Figure 1: The comparison within the two freedoms among China and the United States.

In comparing American and Chinese journalists' importance placed in different aspects of their work, I found some significant difference. Items are showing a clear difference as seen on Graph 2, by the Chi-square test, especially on the results of "Peers on the staff,"  $\chi 2 = 68.9$ , p < .05; "Advertising considerations,"  $\chi 2 = 92.8$ , p < .05; "Profit expectations,"  $\chi 2 = 70.5$ , p < .05; "Journalism ethics,"  $\chi 2 = 84.9$ , p < .05; "Media laws and regulation,"  $\chi 2 = 37.9$ , p < .05; "Information access,"  $\chi 2 = 37.9$ , p < .05; "Censorship,"  $\chi 2 = 194.9$ , p < .05; "Government officials,"  $\chi 2 = 110.1$ , p < .05; "Politicians,"  $\chi 2 = 124.5$ , p < .05; "Pressure groups,"  $\chi 2 = 26.0$ , p < .05; "Business people,"  $\chi 2 = 13.8$ , p < .05; "Public relations,"  $\chi 2 = 49.0$ , p < .05.

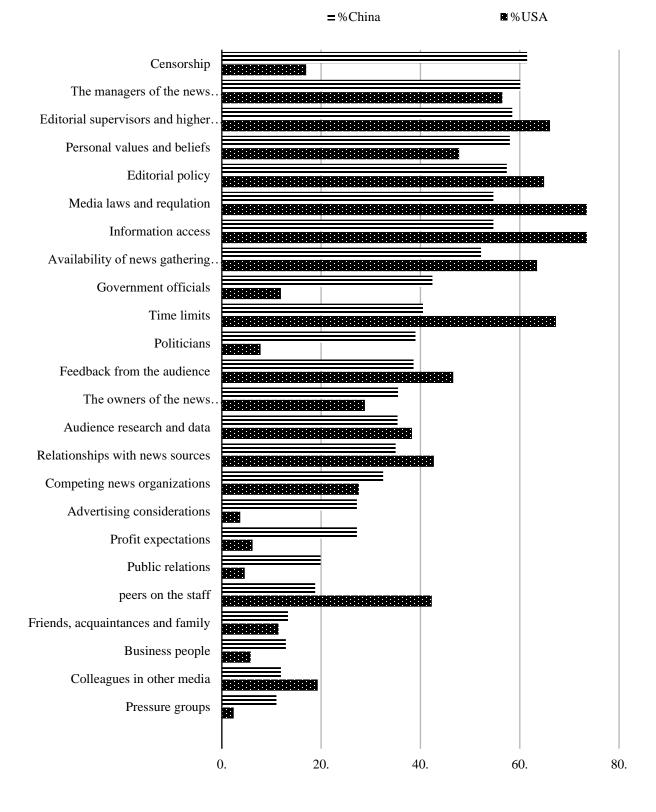


Figure 2: Relevance placed in aspects of a journalist's work

Furthermore, there are four items that journalists in the United States thought are more important than in China, which are "Information access" ( $\chi 2 = 37.9$ , p < .05), "Media laws and regulation" ( $\chi 2 = 37.9$ , p < .05), "Journalism ethics" ( $\chi 2 = 84.9$ , p < .05) and "Peers on the staff" ( $\chi 2 = 68.9$ , p < .05). From "Media laws and regulation" and "Journalism ethics," we can tell the media environment in the United States is more systematic and regulatory than in China, and each media practitioner has to obey many rules for staying on their positions. Additionally, in China the government has more power to disturb the editing process of media productions, so the government's opinions are the only consideration that requires caution; however, American journalists have to take care to follow a variety of media laws during their work, so they need more time when considering "media laws and regulation." "Peers on the staff," plus another demographic report that comes from the same research reveals that the working years of journalists in the United States normally exceeds 20 years. Therefore, it's understandable why journalists in the United States embrace peers' perspectives because they are working in a stable and interactive community rather than working alone. Due to "Information access," it seems U.S. journalists take more notice of the credibility of the news sources.

On the Chinese journalists' side, there are eight aspects that they believe that are more important in their working environment. However, those items can be separated into three groups to report. First in "Advertising considerations," "Profit expectations," and "Business people," we can recognize that journalists in China have more pressure regarding the income of the organization for which they are working. The main reason that can be assumed should be the media practitioners in China have more economic

pressures and even the frontline journalists' income is influenced by the advertising revenues. Another remarkable phenomenon is the influence of "Censorship," "Government officials," "Politicians" and "Pressure groups" because the media environment has to highly rely on the government's regulations. There are many exacting rules that every media practitioner has to follow without question.

A useful message that is delivered from Table 3 is that Chinese media practitioners think highly of the ethics issues as well as their American colleagues do. By the test of Chi-square, the result of the item of "Should always adhere to codes of professional ethics, regardless of situation and context" is  $\chi 2 = 37.9$ , p > .05, "What is ethical in journalism depends on the specific situation" is  $\chi 2 = 0.7$ , p > .05, and "What is ethical in journalism is a matter of personal judgment" is  $\chi 2 = 3.1$ , p > .05. However, there is an item that has a significant difference between China and the United States—
"It is acceptable to set aside moral standards if extraordinary circumstances require it."
We can interpret it from two approaches. One is the unavoidable influence of the Chinese government. Media practitioners must endure the regulations that come from the ruling party, especially about the sensitive political issues. Another reason for this result is likely because of Asian culture. In Asian culture, people normally do not reject others' opinions straight away, or they may accept them unwillingly sometimes.

Table 3: Perceived importance of ethics and moral codes

1	Should always adhere to codes of		648	91.8%	χ2=0.7.
1	professional ethics, regardless of situation and context	USA	414	93.2%	p= .396594
2	What is ethical in journalism depends on	China	644	33.9%	χ2=0.1.
2	the specific situation	USA	413	34.6%	p= .79577
2	It is acceptable to set aside moral standards if extraordinary circumstances require it	China	644	23.6%	χ2=12.0.
3		USA	406	14.8%	p= .000523
1	What is ethical in journalism is a matter of personal judgment	China	644	13.8%	χ2=3.1.
4		USA	414	10.1%	p= .076531

Remarkably, there are two major concerns among the total six items that the Chinese journalists consider more. One of them is about financial issues, while another is about political issues. Financial issues, which includes "Paying people for confidential information" ( $\chi 2 = 491.6$ , p < .05) and "Accepting money from sources" ( $\chi 2 = 68.8$ , p < .05). In China, people think a little amount of money is a kind of gift to expressing gratitude. Judging how much money to give is sometimes unclear. The underlying reasons of this phenomenon are complex, a combination of a cultural issues and undeveloped marketing regulations, but it is common and acceptable in China. However, in the United States, there are strict rules about size or value of the gift. Both the receiver and the sender are all careful with this issue, such as a company should not provide the

airfare and hotel for invited journalists who are not local. Another aspect is related with the skills of being a professional journalist. For example, "Claiming to be somebody else" ( $\chi 2=572.1$ , p < .05), "Using re-creations or dramatizations of news by actors" ( $\chi 2=253.5$ , p < .05), "Altering or fabricating quotes from sources" ( $\chi 2=40.0$ , p < .05) and "Altering photographs" ( $\chi 2=55.2$ , p < .05) all indicate the journalists in China are not sophisticated enough and lack sufficient professional working experience, especially compared with their colleagues in the United States. This finding can be supported by another research result —the working age between journalists in China and in the United States. The working years of U.S. journalists normally exceed 20 years, which is significantly higher than in China (roughly 8 years).

Among those items, 62% of U.S. journalists believed "using confidential business or government documents without authorization" is highly important and would not approve of it under any circumstances more so than their colleagues in China. Twenty-four percent say the reason is that it's difficult to find confidential business or government documents in China. They usually do not post important information on their home pages or update them on time. Journalists normally receive this kind of information by conducting interviews with the right people instead of asking for "documents."

Table 4: Acceptance of controversial practices

			N	alway s	on occasio n	not approv e	chi-square (p < .05)
1	Paying people for confidential information	China	641	31.4%	50.5%	18.1%	χ2=491.6. p< .00001
		USA	411	1.0%	11.7%	87.3%	
2	Using re-creations or dramatizations of news by actors	China	635	20.9%	62.0%	17.0%	χ2=253.5. p< .00001
		USA	405	4.2%	31.1%	64.7%	
3	Claiming to be somebody else	China	642	20.7%	65.6%	13.7%	χ2=572.1. p< .00001
		USA	413	2.2%	9.4%	88.4%	-
4	4 Using hidden microphones or cameras	China	640	8.3%	73.0%	18.8%	χ2=41.9. p< .00001
		USA	412	8.7%	55.1%	36.2%	
5	Getting employed in a firm or organization to	China	635	4.4%	49.8%	45.8%	χ2=28.4. p< .00001
	gain inside information	USA	412	3.4%	34.0%	62.6%	
6	Exerting pressure on unwilling informants to	China	637	3.9%	44.0%	52.1%	χ2=3.2. p= .198839
	get a story	USA	411	5.4%	47.7%	47.0%	
7	Using confidential business or government	China	638	2.4%	35.7%	61.9%	χ2=159.3. p< .00001
	documents without authorization	USA	409	13.4%	62.3%	24.2%	-
8	Publishing stories with unverified content	China	643	2.3%	15.4%	82.3%	χ2=150.8 p< .00001
		USA	411	2.4%	8.0%	89.5%	-

Table 4: Acceptance of controversial practices

			N	alway s	on occasio n	not approv e	chi-square (p < .05)
9	Altering photographs	China	640	2.2%	26.1%	71.7%	χ2=55.2. p< .00001
		USA	413	2.4%	7.7%	89.8%	
10	Accepting money from sources	China	638	1.6%	17.2%	81.2%	χ2=68.8. p< .00001
		USA	412	2.4%	1.0%	96.6%	-
11	Altering or fabricating quotes from sources	China	643	1.4%	11.5%	87.1%	χ2=40.0. p< .00001
	•	USA	413	2.7%	1.2%	96.1%	•
12	Making use of personal documents such as letters	China	640	1.3%	26.3%	72.5%	χ2=22.0.
	and pictures without permission	USA	409	2.9%	38.1%	58.9%	p= .000017

Despite "Provide the kind of news that attracts the largest audience" ( $\chi 2 = 2.8, p >$  .05), all other items have significant differences between China and the United States in terms of the results of the Chi-square test. It's not surprising that both Chinese journalists and American reporters want to produce news that attracts the largest audience because gratifying the readers is their primary job responsibility as a professional journalist regardless of locations or cultures.

Among others with significant performances in terms of the result of Chi-square test, there are many items that related with political issues, such as "Set the political agenda" ( $\chi$ 2= 45.0, p < .05), "Influence public opinion" ( $\chi$ 2= 156.1, p < .05), "Be an adversary of the government" ( $\chi$ 2= 6.6, p < .05) and "Support national development"

 $(\chi 2= 284.7, p < .05)$ . Clearly, Chinese journalists are more sensitive about these issues than their American colleagues. Part of the reason is the highly regimented pressure on the media from the Chinese government. Since China's government manages all of the media organizations, no private media firms are allowed to publish. Therefore, if there are some opinions or news that the government does not want readers to see, no journalist would publish them. Especially for the term of "Convey a positive image of political leadership" ( $\chi 2 = 233.8$ , p < .05), "Support government policy" ( $\chi 2 = 275.3$ , p < .05) almost half of the interviewed Chinese journalists agreed with this question. On the other hand, American journalists go the opposite way. They are interested in the political issues, and even to push their audience to express their honest point of view about the government. For the items of "Provide information people need to make political decisions" ( $\chi$ 2= 194.9, p < .05), "Motivate people to participate in political activity" ( $\chi$ 2= 14.8, p < .05) and "Let people express their views" ( $\chi$ 2= 31.8, p < .05), many American journalists believe those items are their mission. Moreover, most American journalists believe that they need to "Monitor and scrutinize political leaders" ( $\chi 2=82.7$ , p < .05) and to "Report things as they are" ( $\chi 2 = 56.0$ , p < .05). Although many Chinese journalists agree with the same thing, their purpose should is to try to understand what information that the government is delivering.

Table 5: The highly concerned aspects during the work

			N	Agreement	chi-square (p < .05)	
1	Report things as they are	China	642	83.8%	χ2=56.0. p< .00001	
		USA	412	98.3%		
2	Provide analysis of current affairs	China	640	70.8%	χ2=5.7. p=	
		USA	411	63.7%	.017023	
3	Support national development	China	639	68.7%	χ2=284.7. p< .00001	
	1	USA	372	13.7%	1	
4	Provide advice, orientation and direction	China	639	66.4%	χ2=162.7. p< .00001	
	for daily life	USA	411	26.0%	F 1.00001	
5	Be a detached observer	China	637	64.4%	χ2=14.6.	
		USA	413	75.5%	p= .000134	
6	Provide the kind of news that attracts the largest	China	641	62.4%	χ2=2.8. p=	
	audience	USA	410	53.2%	.094527	
7	Let people express their views	China	642	59.8%	χ2=31.8. p< .00001	
		USA	411	76.6%		
8	Influence public opinion	China	641	58.2%	χ2=156.1. p< .00001	
		USA	406	19.0%	1	
9	Support government policy	China	642	53.3%	χ2=275.3. p< .00001	
		USA	411	3.6%	*	

Table5: The highly concerned aspects during the work

			N	Agreement	chi-square (p < .05)
10	Convey a positive image of political leadership	China	644	48.8%	χ2=233.8. p< .00001
	·	USA	409	3.9%	1
11	Provide information people need to make	China	642	46.3%	χ2=194.9. p< .00001
	political decisions	USA	412	88.8%	1
12	Advocate for social change	China	637	45.2%	χ2=25.6. p< .00001
	Ü	USA	412	29.6%	
13	Monitor and scrutinize political leaders	China	637	40.7%	χ2=211.4. p< .00001
	•	USA	409	86.1%	1
14	Monitor and scrutinize business	China	637	40.5%	χ2=82.7. p< .00001
		USA	410	69.3%	
15	Provide entertainment and relaxation	China	634	38.6%	χ2=10.3.
		USA	411	29.0%	p=.00132
16	Motivate people to participate in political	China	639	34.1%	χ2=14.8.
	activity	USA	411	46.0%	p= .000117
17	Set the political agenda	China	635	29.0%	χ2=45.0. p< .00001
		USA	407	11.3%	
18	Be an adversary of the government	China	629	25.0%	χ2=6.6. p=
		USA	407	18.2%	.010469

# **6. QUALITATIVE**

# Research Questions

RQ3: In terms of the difference of management culture, how does a foreign headquarters inspire and cooperate with their employees in China?

RQ4: How do global media adapt in the Chinese environment in relation to relevant topics for Chinese audiences?

Research Findings and Discussion Qualitative

In-depth interview

Media consumption is changing in China. It is not a good time for the print-based media industry in China. Audiences are quickly shifting their consumption by leaving the print publications and accessing digital media. They are not giving up the in-depth reading, instead they rely more on the visual images to absorb news. According to Liu Xiao's experience as a senior manager of *CAIJING*, she insists that HBR must create a more attractive visual content to beat other competitors. Moreover, because HBR's headquarters in the United States is rigid and sensitive about controlling every detail of the content on the paper, Liu Xiao needs to find novel creative ideas for both marketing and readership. Hence, she is establishing a separate team for publishing online news and events in China.

Fortunately, because of her dual positions on *HBR* and *CAIJING*, and these two magazines both focus on the business field, Liu Xiao can minimize the cost while keeping a quality product at a high level, especially the live programing area, such as broadcasting events live. For instance, there is a series of breaking news stories that have been attracting the public's attention in China—The Belt and Road, which "is a development strategy proposed by Chinese President Xi Jinping that focuses on connectivity and cooperation between Eurasian countries" (China Daily, 2017). Liu Xiao's team invites multiple experts and professional practitioners who are expects on economy, national and international politics to do a thematic live show on both *HBR* and *CAIJING* for the online platform. However, the perspective of the news is significantly different between the two branding platforms: for the *CAIJING*, the interviewers'

opinions have been framed to a China-focused perspective, but on the *HBR*'s live news, the same group of experts' suggestions would be framed to focus on an international public opinion about The Belt and Road.

Additionally, because I was Liu Xiao's marketing director in CAIJING for years, I gained access to an in-depth interview with her. Hence, I participated in a few jobs that required cooperating with her HBR team. Because of this previous experience, I have some knowledge of the magazine process in China. Moreover, because I'm from China, I do not have the language barriers or other cultural struggles that a foreign researcher would normally have to conduct an in-depth interview on the media market in China.

In the following section, I will go into details about Xiao's perspective of strategies for foreign magazines entering a Chinese market. Among the main points made, and answering the RQ3 about management issues, avoiding direct conflict and keeping mutual noninterference in-between the partnerships are the key for success. For answering the RQ4 about the relevance of topics to their Chinese audience, gratifying the local needs and leaving enough room for the headquarter's dominance cannot be ignored.

## Avoiding the direct conflict

In Liu Xiao's experience during the period of working with *HBR*'s headquarters, direct conflict between the headquarter's management and China's newsroom staff cannot achieve any positive results. Just the opposite of practices in the United States, the headquarter's managers are inclined to express their opinions directly which may be perceived as rude within Chinese culture. Even though management may simply express a positive attitude, Chinese coworkers still consider what implicit messages lie beneath

the smiling face. On the contrary, Chinese people, including Liu Xiao herself, do not usually show divergent opinions face to face. According to Liu Xiao, in a typical Chinese working environment, a manager should prize employees' efforts first and try hard to find positive points among them, then indicate in a subtle way the inappropriate parts which the manager does not like. If the employees cannot understand what the manager is meaning, they would be considered as the ones who lack the power of comprehension. Based on the understanding of the different ways of expressing, Liu Xiao has avoided direct conflict with the headquarters in person. She and her team prefer to use written working reports instead of a conference call.

Therefore, the suggestions for other foreign companies who struggle working with their Chinese teams should be trying to avoid direct conflict communications.

Instead, management should find alternatives in directed communication to overcome the culture gap.

### Keeping mutual noninterference

Although it may seem unreasonable, Liu Xiao's experience demonstrates that both sides of the partnership have to follow this rule—keeping mutual noninterference for achieving an efficient internal working progress. For example, due to the cooperation agreement, the headquarters of *HBR* have the entire discretionary power regarding the magazine content and Liu Xiao's team seldom knows the content of the upcoming issue of the magazine before it's published. The sales team wants to know the upcoming content before the printing process so that they can arrange their client's ad more efficiently, but it's impossible because this requirement would curtail the period of HBR's editing. On the other side, the Chinese team does not have to report their future marketing plan to the headquarters either. They all complain of the lack of the "transparency" on workflow, but "it saves much more time than having to negotiate with each other," Liu Xiao said. Liu Xiao also indicates that making a daily workflow go smoothly is impossible between multiple national teams.

Liu Xiao's opinion is practical because the newsroom has a deadline driven working environment. Saving time and gaining money are the company's principal goals; no one wants to waste their time on useless communications.

### Gratifying the local needs

"Do not underestimate the Chinese audience, or you will gain nothing in your pocket," said Ms. Xiao. Liu Xiao was proud of the revenue her team generated, and the headquarters also admired the amount of profitable business opportunities in China. Although the media industry in China is underdeveloped, which means more possibilities, people are eager to absorb information on a diversity of devices. To conquer those "no brand loyalty" audiences, according to Liu Xiao, it's essential to be always building new projects or programs. For instance, for a certain client with a certain amount of marketing budget, they may have asked to be a sponsor for a professional conference last year, but eager to have a national business school road trip this year. Thus, Liu Xiao's team needs to gather multiple resources of speakers or business schools for them, even to brainstorm more ideas for gratifying the client monthly. Moreover, "internet celebrity economy" has been very popular in China. *HBR* opens a series of online programs on their webpage and invites experts to critique the popular public issues as a commentator but focuses on the perspectives of international economy.

The change in speed of novel marketing ideas is the message that Liu Xiao suggested. Although a high-quality product is important, new ideas that no other competitors have created can generate more revenue. For a foreign company, it is difficult to make such quick responses on time. One reason is the gap of culture understanding, which is to figure out what the audience is truly interested in, and another reason is the ability of establishing a powerful network of local social resources.

## Respecting the headquarter's needs

As a media product, the content selection is the soul of their branding image, such as the political bias. *HBR* is a successful business magazine and has already developed a solid and stable reputation in the public. Liu Xiao respects the company's reputation and never wants to challenge the headquarter's power at this point, although it brings many inconveniences in her work. As Liu Xiao said, she suggested to the headquarters to add some stories about China in the beginning of the cooperation, but she soon realized that even for the Chinese readers, who purchase *HBR* because of its prestigious reputation in the international news, rather than local news in China. Vice versa, the headquarters knew Liu Xiao has a strong understanding about the regional diversity in China, so they almost never question the local marketing plans that are made by Liu Xiao's team. They both complain to each other frequently, but they nevertheless have tried hard to accommodate each other's needs.

There are some foreign media companies that are open to leaving more space for Chinese news. This phenomenon seems to bring business success in the short term, but it could hurt their good reputation quickly too. The media content mirrors the social ideology of the foreign media. It's safe to say, some foreign media productions are popular in China because people are eager to know what happens in the world. Therefore, according to Liu Xiao's opinions, foreign media companies should not sacrifice the content reputation for short-term interest.

#### 7. CONCLUSIONS

Understanding the particular ties of the media industry in China has been of interest to scholars for a while. However, there is still a lot that needs to be understood concerning the business of media industry and foreign media entrance to China.

Based on my personal working experience and observation as a senior media practitioner in China, I decided to start this study as a cultural comparison between the United States and China. Quantitative research methods helped me to streamline and construct the skeleton of this study, while qualitative research methods gave me a deeper insight from China's perspective. These findings may be helpful to media companies when they plan to start business in China.

First of all, companies need to realize there are some rigid and unique game rules in China. As many are aware, Chinese media lack freedom and experience extreme censorship, but that is not all. It is important to know that private property has not been allowed in the media industry in China, and every media organization must be under the administration of certain government offices. Thus, every foreign media company that wants to sell their media products in China must find a local media organization as a partner. Another rule is they must share fifty percent of the right of management power with their Chinese partner, including the revenue. Therefore, finding a good partner should be the top of their global strategy, and how to work with them should be the second.

Based on the findings of the quantitative research, we can clearly grasp a significant difference in how the journalists in China and in the United States perceive their profession, which are the profit concerns and the political concerns. American

journalists and Chinese journalists both attach great attention to these two issues but with different directions. For instance, with the political concerns, American journalists encourage political discussion and enthusiastically bring the government's actions to light. However, Chinese journalists are more willing to prize their government's positive actions and neglect the negative ones. Meanwhile, Chinese media seem to have more interest in revenue, based on the result of the secondary analysis of the WJS survey. Even for a professional journalist, having a sense of marketing results in bonus points on their evaluation sheet. However, American journalists are proud of "our jobs are not money driven."

Because of these significant differences, this study can provide suggestions for global strategy for a foreign media company, which is to keep the control of content yourself but leave the responsibilities of sales and marketing to your Chinese team.

In addition, according to the ideas of Cultural Proximity, foreign companies should understand that the linguistic barrier cannot be covered easily, especially within an entire different family of languages—Chinese and English. Although they have many kinds of spoken languages in China, Mandarin is the only written Chinese language recognized as an official language across the whole country. However, translating English to Chinese with faithfulness and expressiveness is still challenging. According to Cultural Proximity, language can mirror the multiple levels with the audience's self-identity, so the best solution for gratifying the local audience's needs is to take that into consideration.

Because China has one of the most diverse audiences in the world who enjoy trying something new, a good salesperson or executive should have a strong capability to

gather and integrate the social resources as soon as possible. Chinese advertisers would not pay even one coin for marketing ideas that they have already seen or know about. Meanwhile, publishing more local stories is not a good idea. The principal reason that Chinese audiences are willing to select a foreign media is because of its global perspective rather than local news.

Another suggestion for foreign media companies who want to go to China is not to have the illusion of establishing a good communication environment with the Chinese team. Because of the depth of the gap of management culture, keeping mutual noninterference through indirect communication may be the best solution.

As remarkable as the Cultural Proximity theory can tell people that the language barrier is the underlying principle of the cultural struggle, the Sociology of News and the Uses and Gratifications (U&G) theories also reveal other knowledge people should realize. The Sociology of News theory can help a foreign media company to define their audience of the target market, which should be the fundamental knowledge of their global venture strategies. Meanwhile, the Uses and Gratifications theory should run through the all steps of their global marketing strategies for accommodating the dramatic changes of the target market, including the proportion of audience and the caprice of clients' demands.

#### APPENDIX SECTION

### Quantitative

(The questioner that I used for the secondary data analysis from The WJS 2012-2016 Study)

- C9, Thinking of your work overall, how much freedom do you personally have in selecting news stories you work on? 5 means complete freedom, 4 means a great deal of freedom, 3 means some freedom, 2 means little freedom, and 1 means no freedom at all.
  - 5 complete freedom
  - 4 a great deal of freedom
  - 3 some freedom
  - 2 little freedom
  - 1 no freedom at all
  - 777 Don't know
  - 999 Refused
- C10. How much freedom do you personally have in deciding which aspects of a story should be emphasized? 5 means complete freedom, 4 means a great deal of freedom, 3 means some freedom, 2 means little freedom, and 1 means no freedom at all.
  - 5 complete freedom
  - 4 a great deal of freedom

- 3 some freedom
- 2 little freedom
- 1 no freedom at all
- 777 Don't know
- 999 Refused
- C12. Please tell me how important each of these things is in your work. 5 means you find them extremely important, 4 means very important, 3 means somewhat important, 2 means little importance, and 1 means unimportant.
  - 5 extremely important
  - 4 very important
  - 3 somewhat important
  - 2 little important
  - 1 unimportant
  - 777 Don't know
  - 999 Refused

A Be a detached observer.	5 4 3 2 1 777 999
B Report things as they are.	5 4 3 2 1 777 999
C Provide analysis of current affairs.	5 4 3 2 1 777 999
D Monitor and scrutinize political leaders.	5 4 3 2 1 777 999
E Monitor and scrutinize business.	5 4 3 2 1 777 999
F Set the political agenda.	5 4 3 2 1 777 999
G Influence public opinion.	5 4 3 2 1 777 999

H Advocate for social change.	5 4 3 2 1 777 999
J Be an adversary of the government.	5 4 3 2 1 777 999
K Support national development.	5 4 3 2 1 777 999
L Convey a positive image of political leadership.	5 4 3 2 1 777 999
M Support government policy.	5 4 3 2 1 777 999
O Provide entertainment and relaxation.	5 4 3 2 1 777 999
P Provide the kind of news that attracts the largest audience.	5 4 3 2 1 777 999
R Provide advice, orientation and direction for daily life.	5 4 3 2 1 777 999
S Provide information people need to make political decisions	s.5 4 3 2 1 777 999
T Motivate people to participate in political activity.	5 4 3 2 1 777 999
U Let people express their views.	5 4 3 2 1 777 999
W Educate the audience.	5 4 3 2 1 777 999
X Tell stories about the world.	5 4 3 2 1 777 999
Z Promote tolerance and cultural diversity.	5 4 3 2 1 777 999

- C14. Given an important story, which of the following, if any, do you think may be justified on occasion and which would you not approve of under any circumstances? 1 means it is always justified, 2 means it is justified on occasion, and 3 means you would not approve under any circumstances.
  - 1 always justified
  - 2 justified on occasion
  - 3 not approve under any circumstances
  - 777 Don't know

999 Refused

A Paying people for confidential information	1 2 3 777 999				
B Using confidential business or government documents without authorize					
	1 2 3 777 999				
C Claiming to be somebody else	1 2 3 777 999				
D Exerting pressure on unwilling informants to get a story	1 2 3 777 999				
E Making use of personal documents such as letters and pictures without					
permission					
	1 2 3 777 999				
F Getting employed in a firm or organization to gain inside information of the second	nation				
F Getting employed in a firm or organization to gain inside information of the second	nation 1 2 3 777 999				
F Getting employed in a firm or organization to gain inside information of G Using hidden microphones or cameras					
	1 2 3 777 999				
G Using hidden microphones or cameras	1 2 3 777 999 1 2 3 777 999				
G Using hidden microphones or cameras  H Using re-creations or dramatizations of news by actors	1 2 3 777 999 1 2 3 777 999 1 2 3 777 999				
G Using hidden microphones or cameras  H Using re-creations or dramatizations of news by actors  J Publishing stories with unverified content	1 2 3 777 999 1 2 3 777 999 1 2 3 777 999 1 2 3 777 999				

C13. The following statements describe different approaches to journalism. For each of them, please tell me how strongly you agree or disagree. 5 means you strongly agree, 4 means somewhat agree, 3 means undecided, 2 means somewhat disagree, and 1 means strongly disagree.

# 5 strongly agree

- 4 somewhat agree
- 3 undecided
- 2 somewhat disagree
- 1 strongly disagree
- 777 Don't know
- 999 Refused

A Journalists should always adhere to codes of professional ethics, regardless of situation and context.

5 4 3 2 1 777 999

B What is ethical in journalism depends on the specific situation.

5 4 3 2 1 777 999

C What is ethical in journalism is a matter of personal judgment.

5 4 3 2 1 777 999

D It is acceptable to set aside moral standards if extraordinary circumstances require it.

5 4 3 2 1 777 999

- C15. Here is a list of potential sources of influence. Please tell me how much influence each of the following has on your work. 5 means it is extremely influential, 4 means very influential, 3 means somewhat influential, 2 means little influential, and 1 means not influential. If a source is not relevant to your work, please choose 8.
  - 5 extremely influential

- 4 very influential
- 3 somewhat influential
- 2 little influential
- 1 not influential
- 8 not relevant to respondent's work
- 777 Don't know
- 999 Refused

A Your personal values and beliefs	5 4 3 2 1 8 777 999
B Your peers on the staff	5 4 3 2 1 8 777 999
C Your editorial supervisors and higher editors	5 4 3 2 1 8 777 999
D The managers of your news organization	5 4 3 2 1 8 777 999
E The owners of your news organization	5 4 3 2 1 8 777 999
F Editorial policy	5 4 3 2 1 8 777 999
G Advertising considerations	5 4 3 2 1 8 777 999
H Profit expectations	5 4 3 2 1 8 777 999
J Audience research and data	5 4 3 2 1 8 777 999
K Availability of news-gathering resources	5 4 3 2 1 8 777 999
L Time limits	5 4 3 2 1 8 777 999
M Journalism ethics	5 4 3 2 1 8 777 999
N Religious considerations	5 4 3 2 1 8 777 999

### Qualitative

### In-depth interview questions

- 1. Which personal qualities are essential for The Harvard Business Review (HBR)'s newsroom in China when you recruit local employees?
- 2. How to make sure the management communication between the headquarters and the Chinese group is appropriate?
- 3. How to separate the responsibilities among the headquarter of HBR (as an example of foreign medias in China) and their Chinese partner in terms of achieving more success in Chinese market while keeping their international brand value?
- 4. In terms of the chief editor of HBR who is based in the United States, who may have a strong feeling of which American news should be put on the top with a big coverage, but how does he or she evaluate a Chinese news professionally?
- 5. Does HBR need to focus on Chinese news more frequently?
- 6. What's the primary goal that the HBR had for their marketing strategy in China?

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