Explore the *Guanxi, Renqing* on the Chinese purchase of durable goods

- for example in the automotive industry

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Abstract: - In the study, we discuss the *Guanxi* and *Renqing* approach to measure the effect of Chinese consumer purchase consideration. In the study, we will interview with auto industry executives sales, according to their experience and skills, we summarized as follows: (1) Salesperson can increase their own *Xinyong*, help their customers to build *Guanxi*, in this time, they should avoid pretend to be familiar with customers, otherwise it will cause the opposite effect, finally, use those emotions to increase *Guanxi*, it can also in effect to promote in sales. (2) Chinese people care about *Renqing* very much, they will be expected when they give *Mianzi* to the Chinese and cultivate long-term *Guanxi*, the probability of success for Chinese sales will significantly improve. (3) In Chinese culture, to have a good *Guanxi* and *Renqing* with customers will enhance the effectiveness of sales success rate.

Key-Word: - *Guanxi, Renqing, Xiyong, Mianzi, durable goods, automotive.*

1 Introduction  
Since 1990, the relationship marketing gradually by the attention of academics and industry, especially in business to business marketing, businesses began to focus on each other after trading in each other's feelings [1]. Compared with the trading orientation of marketing, relationship marketing focus is and customers to establish, develop and maintain good relations [2]. But the unique cultural characteristics of the Chinese-speaking regions make the mindset of the Western countries not fully applicable to the Chinese society, the point of view of the Chinese community: Yang [3] indicate the *Guanxi* between word consists of two Chinese characters, off (door) lines (connections) are a combination of relationship must be connected to the network through the door. Because of this, the relationship generally refers to relations or social relations based on common interests and benefits. Chen and Davies [4] referred to in the relevant research relationship is a special type of relationship, through ongoing cooperation and exchange in return for the resources they need. Hwang [5] study *Renqing* is a unique *Guanxi* terminology usually refers to a life emotional reactions to different situations people face on a daily basis, in order to obtain the resources required for
their own lives is also a process of social exchange, and thus social norms derived in response to a variety of conditions occur. Thus, the original transaction marketing for the center of gravity of the sales model has been turning into a focused relationship marketing sales model. Western countries perceived relationship marketing is change, in Chinese society from further show for _Guanxi_ marketing, _Renqing_ marketing. In the Chinese social relations in favor originally refers to build _Guanxi_ with the people around him, such as: family, friendship, love, but at the mall favor but as a tool of an illusion, in order to establish _Renqing_ with customers quickly, for the time being _Guanxi_, through various means in order to quickly obtain the trust of each other, we also found this phenomenon in the clerk is easy to observe. Criteria selected by the consumers price or quality primary consideration but this salesman with my friendship or _Guanxi_ and _Renqing_ primary consideration, but in Western society is more difficult to understand. Due to rapid economic development, national income rising people's quality of life and thus increase with demand surged for a life of luxury, including the use of cars to prove their status and worth more directly. According to the China Association of Automobile Manufacturers data pointed out that the 2011 China car sales amounted to 18, 505, 100, has been reelected for three consecutive years, the first global car sales, Therefore major car brands are all on the focus of the market in China, shows that car sales in China's competitiveness.

### 2 Problem Formulation

In this study, the main explore is how a salesman to build relationships with customers and human data acquisition and establish a degree of difficulty, it will use in-depth interviews. Tayor and Bogdan [6] definition of in-depth interviews that the main purpose of the researcher and interviewer face to face repeated interaction "respondents to state their point of view of their life experiences or situations in their own language. So we will use in-depth interviews to interviews with a brand depot performance salesman and sales departments in charge of sales experience and sales techniques, and how to lay the first meeting customer relationship established human and further their own customers introduce more guests to help themselves in the future. Finally, the conclusions for intentionally layout of the Chinese market or have been stationed in the Chinese market, car manufacturers refer to this model as applied to the Chinese market. Therefore, the purpose of this study, the following three points: (1) Explore the Chinese community of consumers to buy durable goods are factors to consider, mode. (2) The processes and practices of Chinese salesman build _Guanxi_ and _Renqing_ with customers. (3) Identify Chinese consumer mode as the reference applied to the Chinese automotive market.

### 3 Literature review and development of model

This study suggests that the Chinese community _Guanxi_ and _Renqing_ plays an important role, if the sales in the moderate to use _Guanxi_ and _Renqing_ will be able to successfully increase sales opportunities for sales practices, so this study the _Guanxi_ and _Renqing_ impact shall be set at sales of the key indicators of the success factors by literature summarized the related factors affecting _Guanxi_ and _Renqing_ for Chinese society relies heavily culture therefore to _Guanxi_ and _Renqing_ as a starting point this is set dimensions and Proposition believe that we can further the study proposed a reasonable and adequate research connotation.
### 3.1 Success sale rate

*Guanxi* and *Renqing* play a very important role in Chinese culture, the key to a business transaction sometimes just because we are family or friends, in the Chinese culture they like to do long-term business, for example, if you cut in the barber shop, and it's satisfied, then perhaps you will cut your hair in the barber shop in the future. Slang a "familiar with the bowl inside " is clearly stated that the mentality of the Chinese to buy nothing more than to their own side of the people is to get more promotions in the Chinese community, the Chinese culture often uphold" favor the principle of reciprocity ", this time to give you cheap next time you have to bring me more customers. What they want the parties to the transaction will establish a unique *Guanxi* and *Renqing* this is a major feature of the Chinese culture. Of course, in the transaction process even if this allows you to account for cheap to the sake of doing in the future, perhaps the other important long-term consideration, so once and a disadvantage in Chinese society will not care. Therefore, to do business with the Chinese at the same time if there is a good *Guanxi* or each other as unique *Renqing* association are quite helpful for sales success.

- **H1**: *Guanxi* positive influence on increasing sales probability.
- **H2**: *Renqing* positive influence on increasing sales probability.

### 3.2 Guanxi

*Xinyong* in Chinese word consists of two words that letter (oral trust) (used), its meaning as a person when interacting with others, must honor an oral commitment. Personal business dealings in the community are very important [7]. *Xinyong* its unique role, *Xinyong* can reflect a high level of integrity, ethics, credibility and keeping promises, and means that you can trust his verbal commitment with the transaction [8]. Chinese people like to use *Xinyong* to determine a person Chinese businessmen often rely on it to complete the transaction, because of legal uncertainties are often too high and the political factors often influence the outcome of a transaction [9]. *Xinyong* is not a legal constraint, so when one person against another person with credit, on behalf of each other will be able to establish a reliable and cooperative relations.
Chinese culture for the definition of emotion is quite unique and fuzzy. Yang [10] Chinese culture this is divided into (1) family members, (2) the outside world or new friends, (3) internal or an old friend. The relationship of these categories will then lead to a different development, as well as a mixed relationship [5]. Chinese society often put each other's feelings because of some unexpected event to be strengthened or weakened, trading with the Chinese people so often whenever completed a transaction with each other the relationship will be improved, the Chinese cooperation after more favorite fraternizing with each other in order to strengthen the emotional relationships, Chinese culture their own relationship with each other cannot be upgraded to an old friend of the internal, then the Chinese relationship with your new friends in the outside world still stuck, Chinese also make psychological classification of different social networking. The characteristics of the relationship between the family members are a permanent, non-voluntary, personal, and emotional and relatively stable [11]. If your relationship is only new friends and stay in the outside then your emotions cannot be sustained, stable and has permanent. The event created from an old friend to the family relationship with the Chinese people and then for each other in future dealings will be of great help.

Empathy term in Chinese with often, empathy definition, most people will think "Care" "angles like standing on each other, but can the seemingly simple words really interpretation empathy? Dictionary interpretation empathy refers to standing on each other's position and put you to experience the parties feel the journey [12]. Empathy for the Chinese culture can be said to play a pivotal role as the saying goes, if you can stand on the other side stand to think more about something then you can get some more, simple as that land convenience is that business contacts, imagine when a sales staff to sell products to you, have you taken into account the factors that you consider, and even help you compare other brands you find it more gratifying, and the sales staff the relationship you will not feel that he is a stranger, even in a good relationship in the future you can become friends. If you can use empathy towards everyone that anyone will be your family.

Establish a good relationship with the Chinese but also note that the majority of the Chinese people are “avoid pretend to be familiar with someone” that tends to be superficial, a mere formality with each other pretending to be very close friends, or non-deep friendship with each other, but take the initiative to another person what some say only with good friends, or make some circumstances in a good friend of the action [13]. To establish relations with the Chinese need time to accumulate, the saying goes; "time will tell" over-loaded negative impact will only appear ripe for the establishment of the relationship.

H4: Xiyong, Emotion, Empathy, Avoid pretend to be familiar with someone positive influence on in Guanxi

3.3 Renqing

Mianzi is outer surface of the image, prestige, reputation and success of the individual in society face can show off unfolded [14]. Timely given the opportunity to show off to others in the Chinese community, there is a considerable help to establish between human, will do business with the Chinese often are first chat some tend to talk about their expertise in a nice chat at the same time part, at this time if given the lofty status, then the other side will think that you understand and respect him so the other side empathy in other places. Goffman [15] Mianzi is a social asset exchanges at different times, to use with just the right of the face with a series of
social technology, how to keep their face and give others face is an art. Moderate to do business with the Chinese by giving a lofty position, there is a positive help to establish for each other.

In the Chinese social and cultural emphasis on the long-term nature and the unknown, even seemingly irrelevant even Chinese culture or will go to establish Renqing today, intend to do for the unknown future. Hwang [5] also believes that the Chinese people in the reciprocity of the exchange, will also hope to receive feedback from partners, in order to keep this relationship between human will be very important. But there is a gap between the Chinese and Western views of reciprocal. Western societies emphasize short-term, otherwise Chinese people hope that the mutual relationship between the presence of long-term or even to unexpected future [16]. Chinese people also believe that human do not needs to be immediately refunded or returned favors cannot be objectively calculated, but when the right time, and human can be returned at any time [5]. An as expected psychological mode of communication, when relationship partner difficulties, it is expected that the other side will reach out to help. Help those expected the own difficulties each other in the future will favor and lend a helping hand [16].

H5: Done Mianzi, Long term Guanxi, Expected positive influence on in Renqing.

Favor the original intention is to have a group link, which is to establish the basis for human. With the time evolution of the economic development people found the human materialistic, money which is a fancy availability of human, setting its sights people usually will not refuse psychological accumulated their relationship, then by all kinds of methods to look forward to the future of their own unfortunately encountered difficulties when the other can lend a helping hand without taking into account the consideration given assistance [17]. Human relationship relative interest rates, just as the ecology of the apes; each other to help each other to grab the lice in fact is to establish the relationship between human climbing today, I can help you grasp the lice back, you have to help me grasp. In fact, the establishment of the relationship between human climbing is according to their own needs with each other interaction process, often in the Chinese community who can best give sensibilities sets of relations, who will most benefit, and then reach their own needs. Of course, over time it evolved into a set of shallow rules, and even the formation of a new knowledge of the Chinese community.

H3: Guanxi and Renqing as a positive interaction.

4 Recommendations for managers of auto industry executives

Tayor and Bogdan [6] defined, in-depth interviews that the main purpose of the researchers and respondents face to face repeated interactions “understand the respondents to state their point of view of their life experience or situation in their own language. Depth interviews with key assumptions: (1) the repeatability contact between researchers and respondents, which means it may take a longer time; (2) the contact of the researchers and respondents, different from the previous survey research role imbalance means that in-depth interviews of both a more equal role; (3) respondents point (point of view) the starting point is given a high degree of value; (4) with the of respondents familiar and natural language in order to understand their inner world point of view.

4.1 The auto industry executives’ advice

Table 1 is we interview the auto industry executive’s results, we sorted out the following table to show the
results of our interviews.

1. Salesman empathy - Standing they angle for their sake, listen to customer needs, and to induce them to tell their own needs.

2. Allow customers to trust you - For her sake, even when the trust reaches a certain level he will help introduce you to customers.

3. To accelerate its impulse to buy.

4. Give intimate little trick.

5. The ball to your customer - Focus on exchange in the long-term benefits, long-term expectations of a future consideration relations (focusing on relationships and human) rather than the immediate consideration

6. Adopted piecemeal measures - To find feel most opportunities where to start

7. Understanding of the customer will compare the brand

8. The mean obedience customer - there is a dispute, do not refute Instead, he followed her, and certainly your customer

9. Do not over-loaded cooked - from a few times to see whether he has you as a friend talk

10. Salesman traits - outgoing, mouth bar good, good resilience, enough breadth to be a common language with the customer (interest, work), relatively easy when studied under enough wide will be able to build relationships with customers

11. Chinese cooked so larger deals (familiar within the bowl), the more familiar the more difficult to earn his money, Chinese ambiguous, vague, Americans less to see the relationship between the forward price

12. Long-term relationship is very impressive. Guests have to go re-development is difficult, but if we leave the old guests are the best

Table 1. Affect consumer purchasing factors

5 Conclusion
According to the interview results, we summarized as follows: (1) Salesperson can increase own Xinyong, help their customers to build Guanxi in this time should avoid pretend to be familiar with someone, otherwise it will cause the opposite effect, finally use those emotion to increase Guanxi its can success to increase in sales. (2) Chinese care about Renqing very much, they will be expected they give Renqing, so as long as the moderate done Mianzi to the Chinese and cultivate long-term Guanxi, the probability of success for Chinese sales will significantly improve. (3) In Chinese culture with the customer to have a good Guanxi and Renqing will enhance the effectiveness of sales success rate.

References:


