

Helping foreign companies China-fy
and Chinese companies globalize.



A wave ushering in the new dawn.

Potential just waiting to be realized.



LI + TAO = dawn + wave

The circular philosophy of the East

meets the linear rationality of the West. Intuition converges upon logic.

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ABOUT US

50+ companies. 200+ individuals.

Countless dreams made reality with blood, sweat, and smarts.

We love our work, and we want to help you fall in love with China, too.

WE ARE LITAO

Helping foreign companies **China-fy** and **Chinese companies globalize**.

As cross-cultural consultants based in **Shanghai, Hong Kong** and **Lithuania**, we serve foreign companies tailor-made strategies for **China market entry** and **market expansion**.

In the past seven years, our team of foreign-educated locals and China-savvy foreigners has helped **50+ companies** across a dozen sectors realize their cross-border dreams.

“Work is love made visible.”

The Prophet, Kahlil Gibran



OUR MISSION, VISION & VALUES

We believe in conscious business, which means working together for sustainable, long-term relationships—making allies out of competitors.

You are on your way to success when you truly know what you want to achieve, why you can do it, and who else can help you.

MISSION

Serving Greatness

There is always a gap between who we are and who we want to be.

Closing the **distance** between those two points is the definition of greatness. It is doing what you have always dreamed; it is **going beyond** your comfort zone; it is being a pioneer. We are here to help you close that gap in service of **greatness**: to help you go **further and farther** than you ever thought you could. To exceed even your own expectations. Because that's what great people do. Because that's what you are. And we want to **bring more greatness** into the world.





VISION

Effortless Work

Effortless does not mean no effort.

It is by no means laziness. Effortless is simply doing what feels **most natural** to you: waking up early not because you have to but because you want to; going the **extra mile** for your client or project or company or country because you **believe** in them; working tirelessly out of love. **We love our work:** we imagine a world where everyone is passionate about what they do, and so even the most complex **goals** become readily attainable. We are here to simplify your **obstacles, clarify** your choices, and accelerate your dreams—to make your work life effortless but no less ambitious.



VALUES

> COMPASSION

Compassion is for businessmen as well as **Buddha**.

Compassion means responding to **differences** without clashing, and treating even obstacles as opportunities for **understanding**. We believe success without compassion is **money without meaning**.

> FLUENCY

Fluency is not limited to language.

Fluency is the ability to do things and convey meaning with ease and **efficiency**. We help you to find your cultural fluency, to do things naturally even outside your home country so you can **translate** your success anywhere in the world.

> FIT

Everyone knows a custom-made suit fits better than one from the department store.

LITAO is the reverse of **mass-produced** consulting: we take your measure carefully to find **solutions** tailored to your specific needs.

> ACTION

We are not a group of theorists floating ideas in the sky.

We are down working on the ground. Whatever we know, we know **firsthand**. Wherever we **operate**, our local teams dig deep and get their hands dirty so you don't have to.



OUR SERVICES

SERVICES

Simply put, we're invested in your future.

And so we don't just tell you what to do and not do; our services help you learn and understand this country for yourself, because true service is helping you serve yourself.

We provide everything you need for a successful venture in China, from dealing with the government to training your employees and everything in between. We care about how you look to others, where you get your products from, how you get your money, what your long-term plans are.



LEGAL ADVICE

A Hand Through the Bureaucracy

DESCRIPTION AND SERVICES

Your guide to company & trademark registration, customs information, visas, import/export regulations, contract negotiation & supervision, inspection & other forms of due diligence, rules for web domains in China—anything and everything related to bureaucratic red tape that could tie you down or trip you up. Our advice always serves to protect your company's best interests.



Services include:

- Company & trademark registration
- JV, M&A, transfer of companies
- Import/export regulations
- Customs information & compliance reports
- Legal trouble-shooting
- Z visa applications
- Employment & partner contracts
- Due diligence & inspections

BRAND DEVELOPMENT

The Public Face

DESCRIPTION AND SERVICES

Brand development in all its forms. In-depth customer comprehension, market research, and competitor analysis to form a **solid, culturally-inspired marketing plan**. We integrate **business, culture, and psychology**, new and traditional **media**, and local and international **trends** to give you the latest insights on the market—and how to **best present your product**. Can also include design, local logo, name, and slogans.

> Services include:

- Re-branding & Chinese branding
- Company catalogues and presentation
- In-depth market research
- Consumer studies
- PR strategy
- SEO-optimization
- Social media strategy
- Content development
- Design, logo, slogans
- Advertising plan
- WeChat OA development

COMMUNICATIONS

Found in Translation

DESCRIPTION AND SERVICES

Translation, interpretation, negotiation, exhibit representation, match-making & corporate relationship-building. With **years of experience officially representing foreign entities** in China, we will speak for you to get the **best deals**, find you potential **partners, clients**, and **employees**, and train you on how to approach Chinese **investors** and other **opportunities**.

> Services include:

- Translation & interpretation.
- Deal negotiations
- Exhibit representation
- Trade missions
- Match-making
- Corporate relations
- Local team-building
- Sales personnel training
- Recruitment in China
- Employee communications
- KOL marketing

SUPPLY-SIDE SUPPORT

From the Bottom Up

DESCRIPTION AND SERVICES

Every business needs to **come from somewhere**, and **we make it easy for you** with contact lists for manufacturers, supply chain management, distribution channel analysis, and other handling of sourcing & operational logistics. Also supply side quality-control inspection and due diligence to ensure your products are **coming from and going to the right places**. All so retail can go smooth as silk.

> Services include:

- Contacting manufacturers
- Sourcing
- Sample-gathering
- Distribution channel analysis
- Operational logistics
- Quality inspections

STRATEGY

The Art of Business

DESCRIPTION AND SERVICES

Using market research & cultural know-how to form a **comprehensive localized corporate strategy**. Includes in-depth industry analysis, a sales plan, opportunity identification, and market overview reports—a **big-picture strategic action plan** that will help your expansion run **smoothly and intelligently**. Can also include local team-building & training so employees across the board are aware of your overall strategy.

> Services include:

- In-depth regional analysis
- Localization strategy
- Competitor analysis
- Market overview report
- Consumer & pricing studies
- Identifying opportunities
- Sales plan
- Local team-building & training
- Long-term plan

SALES & FINANCIAL SERVICES

The Money

DESCRIPTION AND SERVICES

From pricing studies to contract negotiation to foreign & domestic accounting, **we help you handle your money before, during, and after you get it.** Cross-border payments **made easy** for a country **without a fully internationalized currency** and that doesn't generally use Visa or Mastercard. We do China banking services, Internet pay schemes (including WeChat and Alipay), off-shore accounts, bookkeeping, ROI follow-ups, VAT and other tax calculations, and more.

> Services include:

- Sales plan & contacts
- Sales training
- Bank and transfer management
- Daily, up-dated accounting
- Bank reconciliation
- Bookkeeping
- Financial planning
- Investment & ROI calculations
- Tax and fee processing
- Social Security registration

EXPERT INDUSTRY GUIDANCE

Sectors We Know Best

DESCRIPTION AND SERVICES

We have years of **hands-on experience** in F&B, FMCG, manufacturing & equipment, the public sector, educational services, real estate, & specialty/bespoke items. We offer not generalities but **industry-specific insights** packed with firsthand knowledge. **Details make the difference.**



Services include:

- Industry overview reports
- Special sector analysis
- Connections to KOLs
- Mystery shopping experience
- Industry contacts and relationship-building

OUR PROCESS

From concept to completion, we are with you every step of the way.

OUR PROCESS

7 STAGES TO SUCCESS FOR CHINA ENTRY AND EXPANSION

Below is a standard time-line of what to expect for a product entering China.

Whatever stage you may be in, we help you optimize and implement your next steps.

The market is competitive, but our process helps you find your **unique selling points** and **prioritize accordingly**

1. DEFINING & PROTECTING THE PRODUCT.

This is where we **find out who you are**. Whether you're selling a product, service, or raw material, we help you **define and delineate exactly what you're looking for**.

2. ESTABLISHING PRICING, MARKET, & REGULATIONS.

We help you establish your **unique selling proposition** that grants you a place in the market while simultaneously finding the **right price point** for you and your clients, keeping in mind costs of suppliers and manufacturers.

3. STRATEGIZING FOR PROMOTIONS AND SALES.

We provide **tailored communications strategies** for each audience, and can provide **interpretation** for negotiations, signings, trade shows with promised leads, and other events.

4. SUPPLY & INVESTIGATING INVENTORY.

We **match-make** you with vetted suppliers and manufacturers, according to your specifications, to make your imagination reality

5. FULFILLING DISTRIBUTION NEEDS

We help you **keep track of them** all through our own sustainable network of local distribution channels.

6. SUPPORT FOR SERVICES

This stage includes all **follow-up with clients** for sustainable sales and other CRM, as well as employee relations.

7. SETTLING FINANCES & FURTHER DEVELOPMENTS

We help you settle all problems with **cross-border payments**, including Internet payment and currency conversion.



OUR WORK

The best mistakes to learn from... are those of others, of course. And, since history tends to repeat itself, so do the best successes.

CASE STUDIES

We share others' experience with you so you don't have to make their mistakes, but you can repeat their triumphs.

We have collected here some of the **best and worst things companies have done** in seeking to conquer the China market—the mistakes that have **broken them** and the strategies that have **pushed them to the top**. Our expertise is rooted in **experience**—we don't just talk the talk—so we also present our unique **LITAO approach** in **real-life cases** with our clients.





1.

BRAND DEVELOPMENT

The Litao Approach To Premiumization

Our client*, **the biggest surimi manufacturer in Europe** and among the **top five in the world** (producing **160,000** tons of food products each year), wanted to globalize even further. But **China itself** is the world's largest (and cheap!) producer of surimi and other fish products, so how could we **differentiate their product** in such an **oversupplied** and **highly deregulated** market with strict import rules?

**We cannot disclose company names here, but please ask us if you wish for more details.*

The LITAO Approach:

After extensive market research and mystery visits to all key foreign grocery retailers in Shanghai to determine best-performing SKUs, our most prominent strategy was to go **the route of premiumization**. After all, the company could not hope to compete with Chinese brands on pricing. And data on China predicted **increased consumer awareness of food quality** as well as a decline in meat consumption—an **opportunity** for seafood. Yet we found that this was only if seafood was presented as high-quality protein with a story behind it; **premium brands have company narratives** while mass-market ones don't. To create our company story, we learned the **origins of the fish** in Lithuania and researched specifications from top certifying bodies such as the **Marine Stewardship Council** to find what most concerned consumers about quality. We also researched factors from packaging convenience to location for our target market, **modern urban premium consumers**.



Key Takeaways

Our client in Europe sold their surimi products for the **mass market**, but we **scaled it to premium** in China through a localized brand, name, logo, product descriptions, and other elements of company presentation. The company successfully attracted **premium distributors** specializing in **eco-friendly** and **healthful** products, and hired us as their **official agent in Greater China**. We also created and told for the first time their **authentic Lithuania-to-China story**, emphasizing being **wild-caught, eco-friendly** and **omega-3-rich**- similar specifications to MSC-certified fish.



2. BRAND DEVELOPMENT

The Litao Approach To Cultural Integration

“**Democracy**” is the **most celebrated play** of Mindaugas Nastaravicius—a Lithuanian playwright who won a “Golden Cross of the Stage,” **the highest award for theater** in Lithuania. LITAO was approached to **translate** this play and adapt it for China for the **2016 Bookworm International Literary Festival**.

**We cannot disclose company names here, but please ask us if you wish for more details.*

The LITAO Approach:

True literary translation means **cultural integration**. Beyond language, we had to make sure **ALL the elements of the play**, from names and characters to jokes and cultural references, worked in China. Even the title of the play—Democracy—could attract **unwanted political attention** in a country like China. We changed it to an innocuous title in Chinese, 停电大楼, similar to “The Power is Out”—**something intriguing without alerting the eyes of Chinese censors**. The playwright had intended to translate simply the original concept and ideas—knowing that while his **topics were universal**, his references were not—and we worked with him closely to get his vision right but also **relevant for China**. His play featured Lithuanians in various social strata with personalities and characteristics familiar to Lithuanians; we adjusted that to **prototypical characters** from mainland China. A Russian Lithuanian therefore became a character from Northeast China, both known for their thick accents and alcoholic tolerance. **All Catholic references were changed to Buddhist ones** to better reflect **local Chinese roots**. We collaborated on all of this **to the author’s satisfaction** within only **one(!) month**.



The Outcomes

The **Chinese reading of the play** was well-received by audience members at the 2016 Bookworm Festival in Chengdu, China; the festival organizers were also extremely impressed at our **culturally-astute adaptation**. Subsequently, the playwright was approached by mainland China theaters offering to stage the play, as well as opportunities to publish it in Chinese.



3.

STRATEGY

The Litao Approach To True Localization

A European FMCG distributor is among the largest in its country. It has **over a decade** of experience sourcing from China and selling in the West. But now it wants to **reverse the flow** and build a **retail supermarket chain** in mainland China itself. They approached LITAO for a **localized China market entry strategy** but did not know where in China they wanted to start.

**We cannot disclose company names here, but please ask us if you wish for more details.*

The LITAO Approach:

As a European company, they operated at home with access to a **broad range of data**—corporate KPIs, K performance indices, best-selling supermarket SKUs—to calculate investments and ROI and make other strategic decisions. But this approach doesn't work for foreign companies in China, where **information is classified and protected by the China chain store association**. Nielsen has access to this data, but the costs are exorbitant. Instead of quantitative data, we were able to obtain **interviews with experts and KOLs** for consumer-based insights on product demand via geographical location and demographics. We realized in the course of this research that supermarkets are not very viable options in the first place; as **on-line shopping has become more popular**, large supermarkets that one must travel to through requisite traffic jams are becoming defunct. **Localized grocery stores** would be a better plan, but the company needs to first focus on a particular region in China and expand from that local area. We often tell our clients, “**There is no such thing as a singular China.**” After all, there are 23 provinces, each with their own cultures and traditions, over 200 languages, and first-to-fourth tier cities.



The Outcomes

We helped the client adjust their China mainland market entry strategy to include **more O2O** instead of slowly decaying brick-and-mortar stores. They are realizing there truly is not one China, since people in this country have **more regionally-based differences in consumer shopping habits than people in any other country in the world**. The company is now focusing on selecting a **narrower target audience** to truly understand a local customer and sell them not only products, but a **lifestyle**—the only viable way to win in the age of Internet shopping.

OUR GUANXI

If you don't know what guanxi is, you don't really know China.

OUR GUANXI

THEY TRUST US

Our guanxi **include** current and former clients, business colleagues, government officials, experts and KOLs in various fields, advisers and advisees: **people we have served, learned from, and made friends with.** They are people and businesses we admire who are kind enough to share their greatness with us.



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Head of procurement



Dmitrij Bogatko

Regional Sales Director



Rytis Budrius

Chief Legal Officer



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Editor in Chief



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CONNECT WITH US

When you have a consultation with us, we leave you with clarity: **who you are, why you're unique, and why others should pay attention to you / work with you / buy from you**

We're confident our China business expertise can help you, **whatever the situation may be**. If you have the **right questions**, we have the right answers; if you don't have the right questions, we can **point you to them**.

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Thank you!

