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East vs. West: strategic marketing management meets the Asian networks

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Abstract *Strategic management in Asia is different. Decision-making differs from that taught in Western, and even Asian, schools of business. In the last decade, the influence of Japanese management systems on Western management practice has become evident. Though the Japanese economy is the world's second largest, and Japan's population substantial, neither compares with the combined economies and combined populations of non-Japanese Asia. The influence of the most aggressive elements of the non-Japanese Asian business communities, the Overseas Chinese and Overseas Indian Networks cannot help to be felt on Western management practice. Explains why this difference in decision-making styles exists, analyzes the implications of the Asian decision-making style for managing in Asia, and discusses its implications for the future of strategic marketing management practice.*

Introduction

Strategic decision-making in Asia is different (Haley and Tan, 1996; Hofstede, 1994). One of the major differences in Asian decision-making stems from the base of information available to, and desired by, Asian decision-makers: this base often differs significantly from the base of information used by traditional Western executives and strategic theorists (Haley and Tan, 1996).

Various explanations have been posited to explain differences that emerge between Asian and Western strategic decision-making. Haley and Tan (1996) suggested competitive advantage as a possible explanation. Hofstede (1994) argued that the reason for differences in decision-making styles was ethnic and cultural; alternatively, Haley and Stumpf (1989) found differences in decision-making traceable to personality type. Later, Haley (1997) found evidence that there may be significant personality type differences between the managerial cadres of different nationalities thereby giving support to Hofstede's arguments. The truth probably is a combination of all the different explanations. Haley and Tan's (1996) argument that the amount of data available to decision-makers about local markets can be described as an informational void relative to the amount available on industrialized economies however, is unquestioned. This has led to a unique, strategic-management style for many major Asian firms.

The Asian business environment

By looking at Table I, we can see why South and Southeast Asia, the region in which these firms carry out the bulk of their operations, is so important. When comparing the 14 nations that make up the region to the US, although the land area and gross domestic product are smaller than those of the US, their population is almost 650 percent that of the US. Additionally, their economies, with some few exceptions, are growing faster than the economies of virtually all Western (we include Japan, Asia's developed economy)

	Population*	GDP** (billions)	Area (sq. mi)
Bangladesh	128,094,948	$122.0[b]	57,295
Brunei	292,266	2.5[a]	2,226
Burma	45,103,809	41.0[b]	261,228
Cambodia	10,561,373	6.0[b]	70,238
India	936,545,814	1,700.0[c]	1,222,243
Indonesia	203,583,886	571.0[b]	741,052
Laos	4,837,237	4.1[b]	91,429
Malaysia	19,723,587	141.0[b]	127,584
Pakistan	131,541,920	239.0[b]	339,697
Philippines	75,265,584	171.0[b]	115,860
Singapore	2,890,468	42.4[b]	247
Sri Lanka	18,342,660	53.5[b]	25,332
Thailand	60,271,300	323.0[b]	198,115
Vietnam	74,393,324	72.0[b]	127,246
Total	1,711,448,176	3,538.5	3,309,624
US	263,814,032	6,380.0[b]	3,679,192
Comparison	648.7%	55.4%	90.0%

Notes: *US Census Bureau (1995); **International Monetary Fund, purchasing power equivalents unless otherwise noted. [a] = 1991 figure; [b] = 1993 figure; [c] = 1994 estimate

Table I. A comparison of South and Southeast Asia with the US

economies, even during the present difficult economic period. Significantly, South and Southeast Asia are not only made up of 14 basic sets of environments (business, economic, regulatory, political, etc.), but 13 of the nations are influenced by both their own native and colonial cultures. India alone has 17 different languages and dozens of dialects.

Three major clusters of large businesses exist in Asia: government-linked corporations (GLCs), either wholly or partly government controlled; family businesses (many controlled by Indians or Overseas Chinese); and MNCs. Historically, business prospered without local business and market information – they have not desired it and have adapted their strategies to their environment.

GLCs usually began as suppliers of products/services in protected domestic markets. For GLCs, strategic planning followed national plans for economic growth and development; market information was never a critical success factor. Hence, information was not a top priority. MNCs first entered Asia over two centuries ago, however the manufacturing based MNCs which were the first to have a significant economic impact in Asia, entered primarily after WWII. They did not seek more local market information because they seldom served local markets, but were investments aimed at rationalizing the MNCs' production costs for products intended for their traditional markets in Japan and the West (Haley and Tan, 1996).

The Overseas Chinese Networks (OCNs) probably constitute the single, most-dominant, private business grouping in Asia outside of China, Japan, and South Asia. In virtually every East and Southeast Asian country, the degree of the OCNs' participation in the economy far outstrips its numbers in the population. Today, they have used their networks to extend their reach dramatically, and, increasingly, they are facing fierce competition from MNCs and the growing Overseas Indian Networks (OINs). Many OCNs started as merchants and traders. They moved into property-related businesses, and then into any business deemed profitable. The OCNs were generally characterized by an entrepreneurial, intuitive, and fast decision-making style, and paternalistic management. This was initially due to low levels of education, especially business education, among the OCN founders.

The OINs and Indian Family Businesses (IFBs) in general, make decisions in a similar way largely due to the highly regulated and protected competitive environment. Senior managers' educational levels are frequently higher than the norm for these countries.

Among these groups, decisions to invest, to grow, and to compete are made mainly on the basis of business sense, experience, and their individual propensity to take risks. With truly difficult decisions when additional information is necessary, the groups usually depend on their network of friends and government officials for the information. Trust and loyalty are central concerns. Desired data are often subjective views or beliefs that raise the businessmen's confidence in their decisions.

This somewhat holistic, intuitive decision-making style is well suited to information-scarce environments or environments where market-survey data seem suspect; it also serves to exclude new entrants without the established communities' experience and network. For instance, many Asian banks have historically served particular networks, not geographic areas; these community bases persist today. Consequently, individuals applying for business loans from Indonesian banks often find that the information included in their applications has been transferred to the banks' related company in the same business as the applicants'; and, that the related company has even implemented the submitted business plans when entering the applicants' projected markets (East Asia Analytical Unit, 1995)! Many attribute the rapid growth of many OCN businesses in Southeast Asia to their speed of decision-making (Chu and MacMurray, 1993); this speed and domination of information makes it possible to seize major business opportunities and constitutes a major competitive advantage for them.

The important characteristics that distinguish successful local companies operating in South and Southeast Asia are:

(1) the companies appear highly diversified; often they undertake unrelated diversification, contravening mainstream theoretical notions of business;

(2) the companies have good relationships with the often enormous public sectors in these countries; and

(3) the companies have very strong family and informal networks.

As indicated earlier, foreign MNCs entered the region later. Manufacturing-based MNCs (M-MNCs) were not the first foreign firms, but they were the first to have great economic effect. In Southeast Asia, M-MNCs were key to the region's export-led economic growth: when M-MNCs began rationalizing manufacturing policies worldwide, they found Southeast Asia's tax incentives, investment benefits, and cheap labor attractive, and transferred some manufacturing operations to the region. Alternatively, at a much later date, MNCs in India found the very large middle class, the very large number of highly-trained and qualified people, and the wide use of the English language and legal system, highly attractive. Yet, by some measures, the Indian infrastructure lags behind even China. The public sector continues to throw an imposing shadow over the economy; and, the zeal for economic reform does not seem uniform.

MNCs' managers seldom found decisions to relocate to South and Southeast Asia difficult; in many instances, the host governments compiled and offered the MNCs information relevant to such decisions. In Southeast Asia, the MNCs' Asian operations did not serve local markets, but rather sought production-cost advantages in worldwide operations. Products were manufactured for export markets. Hence, the informational void was unimportant. Their decisions to relocate manufacturing operations were decisions made to maximize operational efficiency rather than to serve local markets; decisions regarding the latter require much greater knowledge of local environments. In South Asia, MNCs did concentrate on domestic markets, but with a long-term focus, striving to build alliances with local firms and public goodwill. Business however does not come easy and costs loom high. For example, as one American MNC's CEO confided ''the Indians did not invent bureaucracy, but they have elevated it to an art form''.

The informational black hole in Asia exists because of historical business practice and because of participants' goals. As decision makers have not desired more objective information, the region is an informational void for those who do.

Cultural effects on Asian decision-making

Nakamura (1992), in considering strategic decision-making in East Asia, argued that strategic decision-making processes in these countries were following the same line of development that strategic decision-making did in Japan. There are certain similarities in the manner in which the Japanese economy and the economies of the East Asian nations he considered have evolved; but there are also significant economic and cultural differences which would indicate that Nakamura's arguments are faulty.

Economic similarity exists because most Asian economies, like Japan's, are managed economies that have grown primarily through exports. The differences lie in the source and direction of exports. The primary source of exports for Japan has always been Japanese companies, and their exports, until only recently, have been dominated by exports to North America and Europe. The primary source of exports from non-Japanese Asian nations to Western nations has usually been MNCs. Local firms have concentrated on local markets, the markets which are now considered so important to Western MNCs. Rather than building size and managerial expertise in competition with Western companies, companies from other Asian nations have built their size and managerial expertise within the informational void. For this reason, the economic similarities between Japan and its Asian neighbors are less significant than they might be.

There are also significant cultural differences that have resulted in very different economic environments. If you consider Japanese firms, especially the large ones, one thing which impresses is the age of the firms. Most of Japan's major firms began as family firms which were built through growth and evolved into the modern Japanese keiretsu conglomerates. The Japanese Daoist culture and way of life incorporates an economic philosophy of growth which includes primogeniture. The Confucian culture and way of life also includes an economic element; however, Confucian economics is a subsistence economic philosophy in which the peasant is exalted and the merchant reviled and persecuted. By ancient Chinese custom, the merchant is prohibited from wearing silk and riding, and he must go everywhere on foot. It is no accident that there have been innumerable waves of Overseas Chinese over the centuries. Every wave corresponds to a period of persecution against the merchant classes. Confucian custom also emphasizes large families and bans primogeniture; hence there is an ancient Chinese saying which goes, ‘‘No fortune survives the third generation’’. Chinese firms are relatively young; most of the major OCNs of today are only in their first or second generation. The Confucian ban on primogeniture has been breaking down in more economically developed Chinese societies such as Hong Kong and Singapore, as exemplified by Li Ka Shen’s transferring control of the bulk of his business holdings to his eldest son. Hence, one can expect many of the present OCN companies to grow and develop beyond the third generation into true multinationals. Other differences lie in the relationship between the individual and society. In Indian culture, for example, there is no relationship between patriotism and filial piety. In Japan, a saying goes, ‘‘To be a good patriot is to be a good son’’; the equivalent saying in China is, ‘‘One cannot be both a good patriot and a good son’’. A subtle, but significant difference which leads us into the area of loyalty. In Japan, loyalty is very strong and functionally based, e.g., filial loyalty is owed to the bread winner, not the actual father. In both Chinese and Indian cultures, filial loyalty is owed to the father, regardless of who the bread winner is, and loyalty is very personalized. Among the Indians, loyalty is very strong. Loyalty among the Chinese however, though personalized, is not very strong. Loyalty to a friend, master or employee is to the individual, and does not survive the death of that individual. Hence, the father’s friend is not necessarily the son’s. Ethical duty in Confucianism is limited to the five relationships:

(1) Sovereign-Minister;

(2) Father-Son;

(3) Husband-Wife;

(4) Elder brother-Younger brother;

(5) Friends.

If a relationship does not fall within one of the above relationships, there is no ethical duty or loyalty owed except to maintain social harmony. Thus, without ties of family or friendship, duties owed in a commercial relationship under Confucian ethical standards are not manifested in the same legalistic perceptions and patterns of behavior as in many Western business cultures. In the Indian cultures, commercial relationships are aided by ties of family or friendship, but in commercial relationships contractual duties are viewed as ethically binding in much the same legalistic way as they are in Western cultures. Among the Japanese, contractual duties are viewed as binding, but the ties that will help cement commercial relationships are not familial or ties of friendship, but ties of personal and corporate mutual self-interest. Due to the above mentioned cultural differences, among others, there is substantial doubt that even with the passage of time and economic evolution, the South and Southeast Asian business networks’ decision-making will ever simply follow in the steps of the Japanese. It is much more likely that the businesses of South and Southeast Asia will go their own unique routes, and make their own unique contributions to management theory and practice.

A significant difference which exists between the Overseas Chinese and the Overseas Indian operating in South and Southeast Asia lies in the educational levels of the founders. The founders of the OCNs were generally highly intelligent individuals, but poorly educated. The Overseas Indian firms were generally founded by people who were both very intelligent and well educated. Hence, while both groups operate well in their region's informational void, the overseas Indians tend to be better prepared to operate in the Western strategic mode using all the data and strategic marketing management techniques developed by strategic theorists. Thus the OINs have tended to operate like Western firms when they have the available data, and like the OCNs when they do not. An example which indicates the importance of this difference is that few Singaporean firms have been profitable in their US operations; Indian firms, however, have regularly been highly successful. Increasingly, the younger generation of OCN leadership has the same educational characteristics as the leadership of the OIN firms.

The result of culture, education and environment has resulted in a strategic planning process that is very different from that of the West. Strategic planning in South and Southeast Asia has developed into a process which is ad-hoc and reactive, highly personalized, idiosyncratic to the leader, and which uses relatively limited environmental scanning. Though Western theorists and managers would tend to name these characteristics as poor management, they have lauded many firms which are managed in just this way. Singapore International Airlines is regularly named as the best run airline in the world, yet it is run very much in accord with the principles and practice of Asian management, and with an emphasis on good and efficient service and a heavy investment in the best, proven technology.

Ghosh and Chan (1994) studied strategic-planning behavior among firms in Singapore and Malaysia and came to the same conclusions. They found planning activities to be ad-hoc and reactive. The only market related factor of any importance was the ''CEO's personal knowledge of market'', which was the fourth-most-important factor in contributing to success in planning. While a CEO's experience is important in any situation, how many failures must occur before the CEO gains that experience and how can a firm expand beyond its local market? The experience of the OCNs and OINs indicates that there are other ways of learning a relatively similar market which may help avoid the great bulk of these failures.

Characteristics of Asian management

When sequential information and hard data contribute little to the relevance or consequence of a decision, and in fact are simply nonexistent, Western managers must study Asia's holistic/intuitive decision-making to be effective in Asia if they are going to be able to compete with the major local firms on their home turf. Little is known of Asia's holistic/intuitive decision-making. Drawing on their observations and study of Asian executives, Haley and Tan (1996) and Haley and Haley (1997) posited that the following characteristics are common to experience-based holistic/intuitive decision-making:

(1) Hands-on experience;

(2) Transfer of knowledge;

(3) Qualitative information;

(4) Holistic information processing;

(5) Action-driven decision-making.

Hands-on experience

To make decisions quickly, without detailed analyses of hard data, managers must be hands-on, line managers who know the firm's work routines and processes, and know the product, market, business environment and industry first hand. Without sufficient exposure to the workings of the trade, managers will have difficulty putting things in perspective quickly enough to make timely decisions. Consequently, many senior Asian businessmen remain active in all aspects of their businesses. This level of involvement is necessary to make the right decisions without data support. Wada (1992) gives an example of a Hong Kong businessman responding within fifteen minutes to an offer by Li Ka Shen, Chairman of the Hutchinson/Cheung Kong, to enter into a major joint venture. The businessman's confidence in Li's judgement and word, and his in-depth knowledge of the business and markets under consideration, allowed him to make such a rapid decision.

Transfer of knowledge

Managers often have difficulty making decisions within new environmental contexts. However, Asian companies often diversify into totally different, non-core businesses. This runs contrary to given business wisdom of staying within one's core business. For executives to succeed in industries where they have no prior experience, they must be able to generalise from past experience, and to apply those generalisations in the new context. The ability to use knowledge to tackle new problems in different situations involves conceptualisation skills different from analytical skills. Successful Asian executives are more able to see the big picture, and to sense intuitively winners from losers. Chu and MacMurray (1993) believe that conglomerate diversification in Asia must change; yet, many businessmen in the region feel that it is a major reason for their firms' enviable growth rates.

Qualitative information

Many Asian executives appear to take unnecessary risks by not doing sufficient research or analysis before acting; this is misleading. The executives often process myriad bits of information and consider several alternatives in depth before they act. They differ from Western executives in that their analysis may be, almost entirely, internal. Though their decision-making may be highly articulated, Asian executives may not present the results in a written analytical form.

Asian executives almost always use external sources of information in making strategic decisions. Experience indicates that executives actively seek out critical information that will impact their decisions. However, Asian executives are less likely to seek published data. They use qualitative, even subjective information supplied by friends, business associates, government officials, and others whose judgement and character they trust. They prefer to personally visit localities to check on information rather than to rely on secondary data. Their local contacts can often supply up-to-date, accurate unpublished information superior to available published or traditional primary research alternatives.

Network building goes beyond linking oneself to senior government officials or great industrialists. Asian businessmen, while criticised for not building their firm's internal base of managerial talent, often invest heavily in promising individuals they feel will be valuable future contacts without seeking immediate favors. For example, long ago, Liem Sioe Liong of the Salim Group met an army lieutenant he thought showed promise. Over the years, he offered this officer his support in his military and political career. The young lieutenant is now President Suharto of Indonesia and remains Liem's close friend.

Holistic information processing
Conventional analytical problem solving stresses sequential, systematic, and step-by-step approaches to decision-making. This works best when managers can obtain needed data. In an informational void situation, it is likely to be unworkable. In the experience-based intuitive model, managers take a general approach to problems, define parameters intuitively, and explore solutions holistically. Such an approach resembles Asian thinking and learning processes. It is an alternative mode of decision-making that frequently works well, especially in those markets where it has evolved.

Action-driven decision-making
Speed constitutes a key characteristic of decision-making in Asian business. Executives often make key decisions without consulting anyone. The preference is for action. Many stories exists of well-known Asian executives deciding on important matters in minutes and implementing the results almost immediately. This speed reflects the executives' empowerment and accountability. Executives often have great latitude in deciding matters. Long debates and committee meetings rarely occur.

The Asian decision-making model reflects authoritative management. However, when one person has both responsibility and authority, a little authoritativeness can get work done faster. This was Kazuo Wada's conclusion, and the main reason why he moved Yaohan's headquarters from Japan to Hong Kong, and the international headquarters for all operations outside of Hong Kong and China, to Singapore; the domestic Japanese operations remain the only ones still with headquarters in Japan.

Implications for MNCs
Determine which markets are to be served. One aspect of doing business in Asia is the lack of information tied to the abundance of opportunities. While information is lacking, it does exist. Dredge it up, collate and analyse it, seek out both hard data and subjective, the most up-to-date data and historical. Treat your research as an investment that will produce substantial returns and remember that those returns come both in the form of earning future profits and avoiding future losses. Use the data to prioritise your potential product/markets and to identify the major players and influences in them. Determine which of those players would be legitimate, beneficial partners to work with, and which should be avoided at all cost. A firm should use this information to move into a product market on its own, or to help it to make a decision rapidly if a desirable partner approaches the firm with an opportunity. One aspect of the Overseas Chinese and Indian firms is that they can make decisions blazingly fast – it is one of their key competitive advantages in competition with MNCs. Unlike Japanese firms, which sometimes seem to move glacially, the Asian network firms move quickly and expect rapid decisions from their potential partners; if an MNC follows standard operating procedures, it is likely to lose a good opportunity. To move rapidly however, they cannot wait until they perceive a potential opportunity to research a market, they must have the knowledge substantially on hand and as Slywotsky and Shapiro (1993) say, ''leverage to beat the odds''.

The firm must develop a flexible corporate culture which can react to dealing with different managerial cultures in different parts of the world, promote cultural sensitivity and seek out home/host similarities. The best way to manage Asian operations is with Asians. As fast decisions are critical, managers must have close links in each country to speed decision-making and have ready access to the highest levels of corporate management. Using more locals with strong local connections, and building trust-based relationships are some of the ways to establish stronger links to local information. When this is not possible, however, MNCs are large, highly complex organisations; somewhere the MNC's management group, there is usually someone whose background is likely to have better prepared them to deal with the Asian environment than is the norm for the firm's managers. Phillips selected a highly trusted and historically successful Mexican executive from its Latin American operations to their regional HQ in Singapore on the premise that the Latin American environment, with its high uncertainty, poor information base, and highly personal, autocratic style of management would better prepare an executive for Asia than would working in their European HQ; in this instance at least, they were right.

It is very hard to develop the kind of familiarity with a firm's markets and operations necessary to react rapidly in a highly fluid, uncertain situation without actual line management experience. Experience based training and manning Asian operations with line managers rather than people who have come up in staff functions is generally highly desirable. Line managers are better able to understand their senior counterparts at most Asian firms as they will have had many of the same operational experiences. People who have come up in staff, without any line experience, have based decisions on analysis of figures and reports which may not formally exist in the Asian firms with which they will be dealing and will have great difficulty in judging the legitimacy of some claims without experience in dealing with similar operational situations. This kind of experience will also help executives build local information links more rapidly as the senior Asian managers with which they will interact will be better able to relate to the line manager as an equal than he will to the staff member.

Finally, managers should learn to recognise the evolution of Asian relationships. Unlike many other networks around the world, an individual's acceptance within an Overseas Chinese network is flexible, and can vary due to events on which the individual has no influence; acceptance does not depend solely on the individual's actions, but also on others that affect situation(s) in which the individual interacts with the network. Western executives do not have total freedom to undertake some behaviors that may help cement their position with an Overseas Chinese network. (This has nothing to do with bribery, but with freedom to act independently and to involve their families in business relationships as completely as the OCNs often do.) Given this situation, it is imperative that western executives learn to recognise the cues given by the Chinese to indicate what the state of a relationship between two people is at any one time.

Implications for the marketing function

The implications of being drawn into competing with the networks on their home turf for the practice of the marketing function in Asian markets are significant, and cannot help but spill over into the practice of marketing in the MNCs' home markets. The implications in terms of marketing's traditional Four P's are as follows.

Product

Product management in Asia is severely affected by the widespread lack of respect for intellectual property rights. This problem is often attributed to there being no rule of law – the Indian government openly uses this argument in urging MNCs to invest in India rather than in other parts of Asia. The truth is both better and worse. In Confucian Asia, to respect the property rights of those with which you have no relationship depends on associating those rights with social harmony. Where there is no historical precedence for the particular property rights in question, as in the case of intellectual property rights, this becomes highly problematical. The government must shift people's way of thinking through strict enforcement of intellectual property rights in a situation where not only the property rights pirate, but the lower and middle level legal authorities feel that the property rights pirate is being unjustly persecuted. Intellectual property rights have never existed under Confucian custom and tradition. Thus, it is very easy, when confronted with intellectual property right piracy, for local legal authorities to look the other way given even a minimal incentive to do so regardless of the most severe pressure from central governments. Though it is highly desirable to move production of products as close to major markets as possible, it is imperative for a firm to consider the differences that can exist between the legal statutes of a nation and what can be considered the ''natural law'', or the ethical perceptions, of a nation. The latter are very powerful and difficult for mere legal statutes to overturn. So far, besides India, the major Asian economies most successful in protecting intellectual property rights are Singapore and Thailand, with Malaysia making an increasingly successful effort.

Place

Many of the limitations of distributing goods through any developing nation's infrastructure apply to South and Southeast Asia. The networks create the same kind of situation in the region as the major commercial families do in Latin America due to their early and continuing dominance of most significant distributors, wholesale and retail, in the region. Only last year, K-Mart was forced to withdraw from Singapore after a costly attempt to break into the cut-throat, minimal margin environment of the mass-market in a major Asian retailing center. The Overseas Chinese have several advantages when it comes to distribution within their home markets which Western retailers should not ignore. K-mart's strength has always been a good selection of moderate quality goods at a low price. When it tried to break into Asia, it ran into local retailers which could match their prices through the ability to accept even lower margins than K-mart at the same time that they matched or bettered K-mart quality; also, the Confucian loyalty relationship of friendship created a situation in which threatened local retailers would receive the support of most, if not all of their long-term suppliers.

Promotion and pricing

Promotion practices are affected by the Asian cultures just as they are affected by all cultures. Firms must seek to ensure they do not offend local custom and mores, and that they remain within the law. To one extent or the other, most Asian cultures are linguistically sensitive: public signboards in foreign languages are illegal in many Asian countries. Enforcement is usually lax, however there are periodic crackdowns (recent ones occurred in Indonesia and Vietnam). Much more problematical for Western firms are the difficulties incurred in India, where some regions, such as the state of Tamil Nadu, contain linguistically sensitive populations which resent the incursion of the national Indian language, Hindi.

Pricing is often difficult for Western firms because of the additional costs associated with international business operations, but also because the networks are able to accept very low margins due to the family control of most network firms. They are also frequently able to subsidise predatory pricing practices due to the conglomerate diversification which most of the large networks have adopted, and due also to the fact that predatory pricing is not recognised as a crime in most Asian nations. When it is, the networks usually are able to deflect legal action through their government contacts.

In sum, the invasion of Asian markets by Western MNCs is occurring because of the wealth and immense potential of these markets. Their increasing international importance will cause Asian strategic planning to follow Japanese planning concepts in one way, and in so doing cause Nakamura to be correct in an unintended manner. As the Japanese MNCs introduced to the West many standards of Japanese strategic planning, such as just-in-time inventory systems and quality circles, so too will the Overseas Chinese and Indian networks. The importance of non-Japanese markets, the growing participation of Western MNCs in Asian markets, and the increasing size and participation of Asian firms in Western markets, will introduce many of the best Asian strategic marketing processes and concepts to Western firms and strategic theory.

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