

Business Culture and Etiquette in China



BY CHRISTINE GAO

Building "Guan Xi" (relationship with the Chinese through Dinner Parties)

CHINESE ARE KNOWN for their hospitality. Hosting a dinner party or a banquet is a precious occasion to show to their guests this long-time virtue and one

of all the crucial decisions that challenge you to ask: Where do I sit? What do I say? What gift should I have brought? Where is my knife and fork? What mysterious ingredients are in those dishes? Shall I confess that I don't eat fish heads with eyes that won't stop staring at me? And the list goes on.

One of my clients, CEO of a European manufacturer of testing equipment, shared his experience during a dinner party hosted by his Chinese customer:

"I was invited to a fine restaurant by my host and crabs were served. I drank from the

bowl which I thought was tea because there were tea leaves. I was told later that it was intended for washing hands after eating with fingers."

There is no business talk in China without at least one trip to a restaurant.

of the most sought-after cuisines in the world.

Nothing, however, is easy and you may find yourself feeling somewhat lost and puzzled in the middle

The following principles should be observed in order to move the business discussions to a higher level.

Building Guan Xi

Confucius, the most prestigious Chinese philosopher who lived 2500 years ago, said, "To have friends come from afar, isn't it something to be happy about?" In a culture which stresses harmony, humility, and complex etiquette, showing hospitality is a virtue from the host to guests.

Chinese businesses are mostly referrals. Unlike Western business relationships, which remain professional and perhaps aloof even after a long time, Chinese business relationships become personal and social, which results in bonding and trust. The more you share about your personal life, including family, hobbies, political views, aspirations, the closer you are in your "business relationship." Sometimes a lot of time is spent discussing matters outside



of business. Lunch and dinner parties are perfect for this purpose.

Respect Seniority and Giving Face

Giving face (i.e. giving due respect) is a very important concept in China. You must give the appropriate respect according to rank and seniority. Sitting positions at a dining table are assigned according to rank, importance and seniority. Usually an honoured guest will be seated next to the host, on his/her right side. When you are not sure where to sit, wait until your host guides you to your seat. The host will only sit down after all guests are seated.

When in Rome, do as the Romans do

Unless you cannot eat fish head, or fried snake, try everything and be curious. Ask what each dish is, and try it. Your host will be very pleased to see that you enjoy his/her choices, so eat well to demonstrate that you are enjoying the food. And, if you are not into frog, tell your host that you are allergic to frog. He will not be offended.

Drinking and “Gan Bei” — Bottoms-Up

The Chinese are big drinkers, especially in Northern and Western China. It does not matter if it is lunch or dinner; as long as a meal is being hosted, there will be alcohol.

Chinese wine is the favourite, followed by red wine and beer. Chinese wine is more like fuel than liquor,



having an alcohol concentration as high as 60%! No matter how good a drinker you may think yourself to be, never, ever challenge a Chinese person to a drinking contest. They will win, hands down.

It is often considered rude to not drink with the Chinese at a formal dinner. To maintain your sobriety, either claim to be a non-alcoholic or plead medical grounds as an excuse. This will let you off the hook. Better yet, bring a partner who can drink on your behalf!

Bring a Gift

Unlike earlier days when China was very poor, gifts, especially of Western origin, were especially appreciated. Today, China produces and imports almost anything and gifts are no longer a novelty.

However, gifts are still valued in the smaller cities or towns, and continue to play an important role in business relationships. Do note that if you are giving gifts, make sure that seniors get a better gift (or at least gifts perceived to have a higher value) than their junior staff.

Similarly, expect to receive gifts from the Chinese, especially Chinese art products. It is polite to accept, especially if it is not of too high a monetary value.

Table manners

Besides the above, respect the following table manners:

- Learn to use chopsticks
- The host begins eating first
- You are expected to try everything that is offered to you
- Never eat the last piece from the serving tray
- Be observant to other people's needs
- Chopsticks should be returned to the chopstick rest after every few bites and when you drink or stop to speak
- The host offers the first toast
- There are no strict rules about finishing all the food in your bowl

The business relationship in China is built on trust, sincerity and a sense of personal connection. It takes time to build a connection and Guan Xi, however, once established, it is stronger than a relationship outlined through an agreement or legal contract. This is probably the first lesson Canadians and Americans should acquire before embarking on a *China strategy* or a *China trip*. **BNM**

Christine Gao has 18 plus years of professional experience in international trade and business development. Her consulting and coaching company, Cultural IQ, assists organizations and individuals to develop an understanding of Chinese culture and business opportunities within the Chinese market.

For more information on Chinese business culture and etiquette, visit www.culturallq.com.