SUGGESTIONS TO IMPROVE THE COMPETITIVENESS OF GESHANG FURNITURE AND FABRICS CO. LTD.

HE XIZI
Bachelor’s Thesis
**Field of Study**  
Social Sciences, Business and Administration

**Degree Programme**  
International Business

**Author(s)**  
HE XIZI

**Title of Thesis**  
BUSINESS ANALYSIS AND SUGGESTIONS FOR GESHANG FURNITURE AND FABRICS CO. LTD.

**Date**  
27/05/2015

**Pages/Appendices**  
51/7

**Supervisor(s)**  
Tuula Linnas

**Client Organisation/Partners**  
GE SHANG FURNITURE AND FABRICS CO.LTD.

### Abstract

With the development of economic globalization and after joining in WTO, China was involved in the wave of economic globalization. Due to low cost and flexible mechanism, small and medium sized enterprises are more and more active in marketing and in the economy. Ge Shang Furniture and Fabrics Co. Ltd. is one of the small and medium sized companies in Anhui, China.

This thesis analyses the development situation of Ge Shang Furniture and Fabrics Co. Ltd and problems in the development, then proposes some counter measures to these problems to improve the competitiveness of the company.

This thesis analyses problems with SWOT analysis and makes quantitative research and qualitative research like interview and questionnaire survey to help giving better visions about the company and furniture market in Anhui. The qualitative research was done by interviewing manager in Ge Shang Furniture and Fabrics Co.Ltd. And a quantitative research was done by emailing to questionnaire to 150 people. These email addresses were got from a data base in the company.

The challenges of the company can be divided into four big parts. They are narrow capital channel, lack of talents, low technology and shortage of brand awareness. The main suggestions to the company also correspond to four main challenges.

**Keywords**  
Small and medium sized enterprise, competitiveness, furniture market, problems and measures
CONTENTS

1 INTRODUCTION ............................................................................................................. 6
   1.1 Background of the study ...................................................................................... 6
   1.2 Objective of the thesis ......................................................................................... 6

2 GE SHANG FURNITURE AND FABRICS CO.LTD OF ANHUI PROVINCE .......... 8
   2.1 Presentation of Ge Shang Furniture and Fabrics Co. Ltd. ......................... 8
   2.2 Company’s competitiveness .......................................................................... 9

3 ANALYSIS OF THE BUSINESS ENVIRONMENT OF THE COMPANY ............... 12
   3.1 External environment analysis ......................................................................... 12
      3.1.1 The present situation of small and medium private enterprises in China 12
      3.1.2 The increasing number and export trade amounts of export companies 13
      3.1.3 The improvement of export structure ..................................................... 14
      3.1.4 Government’s financial and tax policy ................................................. 15
      3.1.5 Industry analysis .................................................................................... 16
   3.2 Internal environment analysis .......................................................................... 17
      3.2.1 Business idea of the company ................................................................. 18
      3.2.2 Marketing and other strategies of the company ...................................... 18
      3.2.3 Products and management of the company ........................................... 20
   3.3 SWOT analysis based on analysis of the business environment .................... 21
      3.3.1 Strengths ............................................................................................... 21
      3.3.2 Weaknesses ........................................................................................... 22
      3.3.3 Opportunities ......................................................................................... 22
      3.3.4 Threats ................................................................................................. 23

4 IMPLEMENTATION OF THE RESEARCH AND ANALYSIS OF THE RESULTS ... 25
   4.1 Qualitative research ......................................................................................... 25
      4.1.1 Interview ............................................................................................... 25
      4.1.2 Results from the interview ...................................................................... 26
   4.2 Quantitative research ....................................................................................... 30
      4.2.1 Data collection ....................................................................................... 30
      4.2.2 Evaluation of the survey results .............................................................. 37

5 CHALLENGES AND SUGGESTIONS FOR THE COMPANY ............................... 39
   5.1 Challenges and reasons for lack of competitiveness of the company ............ 39
   5.2 Suggestions for the company ......................................................................... 40

6 CONCLUSIONS ........................................................................................................... 42

REFERENCES ............................................................................................................... 43
APPENDICE

Appendix 1 Interview questions for the manager of Ge Shang Furniture and Fabrics Co. Ltd.

Appendix 2 Questionnaire about furniture buying behavior

Appendix 3 关于家具购买行为的问卷调查
LIST OF FIGURES

FIGURE 1. Changes of international competitiveness ranking of China.....................7
FIGURE 2. Department division of Ge Shang Furniture and Fabrics Co. Ltd.............8
FIGURE 3. International competitiveness ranking of every enterprise’s Indicators...11
FIGURE 4. The increase speed of import & export amounts in different companies.12
FIGURE 5. Export trade amounts of private enterprises in Anhui province.............14
FIGURE 6. Products positioning chart.................................................................19
FIGURE 7. Age of the respondents....................................................................31
FIGURE 8. Gender of the respondents ................................................................31
FIGURE 9. Respondents’ occupation.................................................................31
FIGURE 10. Furniture purchasing behaviors during the past 3 years....................32
FIGURE 11. Favorite types of furniture...............................................................32
FIGURE 12. What price level of furniture will attract you most.........................33
FIGURE 13. What is the most common reason for you to buy furniture..............34
FIGURE 14. What media for you to get information about furniture..................35
FIGURE 15. What kind of sales promotion customers like most..........................36
FIGURE 16. Where customer prefer to buy furniture.........................................36
1 INTRODUCTION

1.1 Background of the study

With the development of economic globalization, the economic competition between countries is found every corner. After joining WTO, China has also been involved in the tide of economic globalization. The small and medium sized enterprises have low costs and flexible mechanism constantly active in the market economy, but they are still in their infancy, and there are many problems with them. In an increasingly competitive market economy, it is essential for the small and medium sized enterprises to find some ways that suit for their development and can consolidate the position of them. For China, the small and medium sized private enterprises are important in improving economic development. They play particular role in supporting employment, promoting people’s livelihood, increasing tax, technology innovations, improving rural economy development and so on.

Moreover, international competitiveness of a country determines the economic status of the country. However, the competitiveness of domestic enterprises in the country also illustrates the country’s competitiveness. In modern international trade, the position of small and medium sized private enterprises those is an essential part of the market economy and will also continue to rise. The influence of these enterprises is constantly expanding, and the competitiveness of the small and medium sized enterprises has become an important factor to measure a country’s economic competitiveness.

1.2 Objective of the thesis

After accessing WTO, China has been facing the development of economic globalization and the global financial crisis, so the small and medium sized enterprise, Ge Shang Furniture and Fabrics Co.Ltd. should find how to deal with the huge economic challenges and how to adjust its thoughts and strategy of reform to resist the powerful multinational companies. Meanwhile, the company needs to know how to take advantage of both domestic and overseas markets and resources, learn advanced technology and
management experience, give priority to develop the superior products and expand the space of the international market. These have become the important questions of today. This thesis will analyze the challenges of the company and put forward the corresponding suggestions to improve the competitiveness of the company.

![Diagram showing changes in competitiveness ranking from 2006 to 2012](image)

**FIGURE 1.** Changes of international competitiveness ranking of China (China Ministry of Commerce 2013)

The above chart demonstrates that from 2006 to 2012, in 2006, the international competitiveness ranking of China was 18. In 2007, it became 15th. In 2008, the ranking was 17th. The ranking of international competitiveness in 2009 was 20th. In 2010, the ranking of China became 18th. In 2011 and 2012, the international competitiveness rankings were 27th and 26th. The ranking changes of the international competitiveness of China generally show a stable trend. That means Chinese economy has great stable development.

In terms of private enterprises, under the situation of the fierce international competition, most of these enterprises are small scale and labour intensive companies with unsound management systems. In addition, small and medium sized private enterprises are always lacking foreign and international talents and they are also short of innovation. Only by improving the level of management and trying their best to train more and more international talents, implementing the brand strategies, and by using innovative ideas and mechanisms to enhance the international competitiveness of small and medium private enterprise can be enhanced.
2 GE SHANG FURNITURE AND FABRICS CO.LTD OF ANHUI PROVINCE

2.1 Presentation of Ge Shang Furniture and Fabrics Co. Ltd.

Ge Shang Furniture and Fabrics Co.Ltd was established in Dec, 2011. It locates in Anhui Province. The company possesses advanced production equipment and technology. The departments of the company are divided into nine branches.

In Figure 2 the structure of the company is shown.

![department-structure](image)

**FIGURE 2. Department division of the company**
(Introduction of Ge Shang Furniture and Fabric Co. Ltd, 2011)

The company mainly engaged in import and export business and trade of furniture and fabrics. But now, in addition to that, it also has developed to bulge with manufacture, sales and service. The company mainly manufactures tables, chairs, sofas, beds and a series furniture, like Qumiao. This brand focuses on sofa manufacturing. Rushi Chinese style furniture pays more attention to design and makes Chinese style furniture and so on. Their products are exported to the Middle East, Japan, Indonesia, Spain and dozens of countries and regions. The market of the company is divided into two parts. One is the domestic market, the other is export. The business idea
of the company is “people-oriented” management philosophy, “leading to modern home lifestyle”, and making efforts to meet customers’ needs. The company has about 160 employees.

2.2 Company’s competitiveness

The company's international competitiveness refers to companies of a country in the environment of economic globalization that are superior to foreign competitors with more attractive price, quality and service for the production and sales of goods and services, or the ability of the company to invest in foreign markets and set up factories abroad which depend on the advantages of its capital, technology, management and other aspects of brand, and that the company can constantly develop in competition with others. In the era of economic globalization, on the one hand, in order to exist and develop, Ge Shang Furniture and Fabrics Co.Ltd. is expected to move towards the international market and to carry out cross-border operations, get involved in international competition, and look for foreign resources, technology and marketing space. On the other hand, as markets of countries become more open and that is increase in mutual trade and investment, despite the company is not going abroad, it would inevitably encounter many foreign competitors in the domestic market. After unfolding transnational business, the company will face a relatively unfamiliar environment and fierce competition in the market. Undoubtedly, these are tests and exercises for the company, so they can help to temper the international competitiveness of this enterprise. On the other hand, they can also help to improve the competitiveness. (Word Competitiveness Yearbook 2009-2013, IMD.)

The measurement index of the company’s competitiveness:
(1) Production efficiency
It refers to an economic level at which the economy can no longer produce additional amounts of goods without lowering the production level of another product. This will happen when an economy is operating along its production possibility frontier.
(2) Labour cost
It refers to enterprises which need to spend expenditure and capital because of labour, labour object, means of labour and employment of social labour. Inputs of labour costs constitute a major part of the labour accounting system. Labour costs refers to the costs of enterprises due to payments of the employment of social labour.

(3) Company efficiency
It refers to the ratio of the amount of work and the results of the company’s management activities. The company is a relative amount of the conception. It can only reflect the behavior of the completion of the company’s speed, but does not reflect the company’s behavior.

(4) Management efficiency
In general, it refers to the ratio between input and output in management activities. Specific to an enterprise, is the relationship between the total investment and the total output. From narrow aspect, management efficiency refers to the ratio of the costs of themselves in the management activities (mainly refers to the management costs) and the profits they bring.

(5) Corporate culture
It can be said the organizational culture is an organization of its value, beliefs, rituals, symbols, ways of doing things and other components of its unique culture image. Corporate culture is the basic beliefs and cognition that enterprises in order to solve the problems of survival and development to foster the formulation, and it is considered to be effective, sharing and followed by organization members. (Word Competitiveness Yearbook 2009-2013, IMD.)
In Figure 3 there is a chart of international competitiveness rankings of enterprises’ indicators

<table>
<thead>
<tr>
<th>Elements/Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production efficiency</td>
<td>25</td>
<td>5</td>
<td>5</td>
<td>12</td>
<td>20</td>
</tr>
<tr>
<td>Labour cost</td>
<td>21</td>
<td>11</td>
<td>7</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Company efficiency</td>
<td>19</td>
<td>7</td>
<td>11</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Management efficiency</td>
<td>24</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Corporate culture</td>
<td>23</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>6</td>
</tr>
</tbody>
</table>

FIGURE 3. International competitiveness ranking of every enterprise’s indicators (Word Competitiveness Yearbook 2009-2013)

In 2009, there was a big global economic crisis. This also had influence on Chinese economy. So we can see from the table that every ranking of measuring companies’ international competitiveness fell behind. But from 2010 to 2013, every ranking went forward. However, the production efficiency, labour cost and company efficiency slipped up from 2010 to 2013 though the whole ranking was still in front of all. What is more, in 2012, the ranking of management efficiency was No.1. That means Chinese companies had good progress in management. The ranking of corporate culture remained stable from 2010 to 2013. The economic crisis in 2009 had an impact on the competitiveness of Chinese enterprises, so the international competitiveness of China is a little behind of other countries. However, with the lifting of the economic crisis, Chinese economy was starting to recover.
3 ANALYSIS OF THE BUSINESS ENVIRONMENT OF THE COMPANY

The business environment analysis refers to the enterprise which fully understands and evaluates their internal and external environment by taking a variety of methods in order to identify market opportunities and threats, to determine the company’s own strengths and weaknesses so as to provide guidance for strategic management process. (Business environment analysis, 2014)

3.1 External environment analysis

3.1.1 The present situation of small and medium private enterprises in China

In recent years, facing with various forms of trade friction, constantly growing green trade barriers and constantly increasing costs of financing, the financing difficulties of small and medium private enterprises are still not improving. They use their advantages to accomplish rapid increase and fully demonstrate the great vitality of these private enterprises by a variety of ways in the midst of the international trading environment. (China News 2014.)

In 2001, the total import amounts of China and export amounts of private enterprises were only 30,932 billion dollars. However, in 2013, the amounts were up to 1,15 trillion dollars. During these 12 years, the amounts had 37-fold increase. In 2013, only in the first three quarters of the year, the import and export amounts were over one trillion dollars. They contained the imports of 3513,23 billion dollars, an increase of 27.06 % and the exports of 6677,23 billion dollars with an increase of 21.36 %. (China News 2014.)
FIGURE 4. The increase speed of import and export amounts in Chinese different type companies in billion dollars (China News 2014)

As we can see from the chart in Figure 4, in 2013, the gap between private enterprises and foreign investment enterprises in China was significantly reduced, occupying 40% for the first time. Since the government in China has encouraged to “go out” strategy, private enterprises have also achieved many kinds of multinational cross-border mergers and acquisitions and have fully developed “two kinds of resources and two markets” and finally have got significant achievements. Although in 2009, there was a little decrease because of the financial crisis. (China News 2014.)

3.1.2 The increasing number and export trade amounts of export companies

Since 1999, with the lifting of restrictions engaged in outside business public economic constrains, the private export-oriented enterprises in Anhui province increased at a rapid speed. Small and medium private enterprises accounted for 95% among all private enterprises. (The analysis of small and medium private enterprises in Anhui 2012.)

Accompanied by a sharp increase in the number of foreign private enterprises doing foreign trade, the export trade amounts of foreign trade of private enterprises in Anhui province had corresponding rapid development. Since China had access to WTO, export trade amounts of foreign trade in China grew rapidly for many years by its unique advantages, together with the preferential policy given by the government, so the foreign trade has become the main source of Chinese foreign exchange reserves. (The analysis of small and medium private enterprises in Anhui province 2012.)
FIGURE 5. Export trade amounts of private enterprises in Anhui province (Statistics Department in Anhui province 2013)

From the chart in Figure 5, we can see that private export enterprises have been constantly developing in Anhui in recent years. From the beginning of 2008, the amounts of export trade have been constantly evolving, except when influenced by the international financial crisis in 2009 the trade amounts there were down, the growth of the amounts of each year have been maintained from 30 % to 40 % (the unit is hundred million dollars). Until 2012, share of the private enterprises economy in GDP accounted for approximately 65 %. They made great contributions for tax, up to 50 % of total tax income. Meanwhile, international competitiveness of private enterprises has also been rising. The total import and export amounts were from 0.8 % and 0.9 % to 5.84 % and 7.47 %. By 2013, the export amount rapidly grew to 3002,13 hundred million dollars, accounting for 68.5 % of whole export trades. (Statistics Department in Anhui province 2013.)

3.1.3 The improvement of export structure

The export trades of private enterprises in Anhui were labour-intensive oriented at the beginning of the development of the export trades. The advantages of the products came from their lower labour costs, so there is no core competitiveness of products and the prices of these products would not be improved. Otherwise, the brand also had not formed yet. In international trade, most of the private enterprises in China played the role of instead-machining. But now, many private enterprises pay more attention to their brand building and the design of products, after-sales service and so on. More
and more private enterprises begin to turn into culture and high technology industry. Thus, products in these companies will not be imitated easily. (The analysis of export structure among small and medium private enterprises in Anhui 2013.)

3.1.4 Government’s financial and tax policy

In China, the government gives some priorities in financial and tax policy to small and medium private enterprises to boost them. Financial policy as an economic policy which used by government to support and guide the development of small and medium private enterprises, is to accomplish an important guarantee for a healthy and stable development of small and medium private enterprises in China. (China Financial Officer Network 2009)

Financial subsidies is one way to solve the external problems of small and medium private enterprises. In America and some other developed countries they always provide venture funds for small and medium private enterprises, especially for high technology companies. In China, although the government gives out some fund to small and medium enterprises, it is not so special that our government macro-regulates the economy. When the economy is overheating, the government implements the tightening monetary policy, then small and medium private enterprises will be damaged at first. While the speed is too slow, the government carries out positive monetary policy, but large enterprises will benefit from it first. (China Financial Officer Network 2009.)

In addition, in China, there are also some tax subsidies for small and medium private enterprises. From the beginning of 2008, the government improved the export tax refund rate of textiles, fabrics and furniture to 14 %. Meanwhile, the export tax refund rate for foreign trade private enterprises came to 27.3 %, and the export tax rebate rate in manufacturing was 19.4 %. But in China, the policies about the tax are still not consummated. (China Financial Officer Network 2009.)

The following part is the reference ratio of new investment incentives for small and medium size private enterprises. Assuming that the total investment of
the previous year is A, the total investment of this year is B, the real amount of new investment associated with the annual is C, then C=A-B. In addition, supposing that the new tax income associated with the annual is E, the proportion of added tax accounts for new investment is F, F=E*C. Then the reference ratio of tax incentives is G, G=F, the part less than 10 %, according to E, given 5 %-10 % incentives. At 10 %-30 %, given 10 %-20 % discounts. At 30 %-50 %, the government will give 20 %-25 % incentives. Over 50 %, new investment incentives of small and medium size private enterprises will be 30 % off. (The ratio of new investment for small and medium size private enterprises 2009.)

3.1.5 Industry analysis

The Porter's Five Forces Framework is a tool for ensuring that one systematically uses theses principles to assess the current status and likely evolution of the industry in order to improve the competitiveness of the company.

(1) Existing competitors
There are some powerful competitors in China’s current furniture market, such as Dynasty Furniture, IKEA and so on. But the number of IKEA has limitations because all IKEA stores are located at metropolitan areas, so it is hard for IKEA to give profound impressions to customers in small and medium sized cities or towns.

(2) Potential competitors
There will be potential competitors in every profitable business. So Ge Shang Furniture and Fabrics Company must get ready for competing with others. It is necessary for the company to pay attention to product differentiation but also to achieve scales of economies, while combining the standardization of manufacture with the differentiation of needs.

(3) Suppliers
Ge Shang Furniture and Fabrics Company adopts global sourcing strategy. The manufacturing of furniture is more special, because of dwindling forest
resources. The state issued a limitation of trees cut policy. The continuous increasing of RMB and serious inflation make labour costs to rise. Suppliers are an important part of the entire supply chain. They can help to improve production orders and improve the professional skills workers, through standardization and institutionalization to enhance the ability of mass production of the company. Finally, they strive to get a win-win double benefit situation.

(4) Customers: Consumers are all good at bargaining. This not only refers to bargaining with salesmen, but also they will have an evaluation about products of the company. So if the products are same and if the company has no advantage of price, the customers may give up buying products from this company. In other words, when the company makes products positioning, it should measure it comprehensively. It is essential achieve the purpose of profits, but also consumer satisfaction.

(5) The threats of substitutes
China has large potential in the furniture and fabrics market. Customers have big needs for household products, so there is no perfect substitutes so far. As long as the state of the economy is stable, consumers have steady income, household items are necessary for them. (Porter’s Five Forces Framework in furniture industry.)

3.2 Internal environment analysis

The departments of Ge Shang Furniture and Fabrics company are divided into nine parts. There are Design Department, Manufacturing Department, Purchasing Department, Quality Checking Department, Logistics, Sales Department, Financial and Accounting Department and Human Resources Department and After-sale Service Department.

3.2.1 Business idea of the company

The business idea of Ge Shang Furniture and Fabrics Company is “ people-oriented “ management philosophy and “ leading to modern home lifestyle
“and making efforts to meet consumers’ different needs. Ge Shang Furniture and Fabrics Company is a model for healthy family life. The company enjoys hard working for development and for enhancing the core competitiveness of the soul value of the brand. The values of the company are innovation, excellence, wisdom and care. The company is committed to fashionable, modern and warm style of furniture and fabrics. Furthermore, the company also contributes to manufacture products with durable, environmental and healthy quality. The prices of these products are reasonable and most people can afford these.

3.2.2 Marketing and other strategies of the company

The company is a multi-channel distribution furniture business with a certain scale of operation and the company has overseas trade business. When the company was in poor macroecomonic environment and worse industry condition, in order to maintain and expand market share and take the financial operating condition into consideration, the company used business growth to achieve growth of scale economics and long term profit goals. The company uses three marketing strategies. One is the integrated resources strategy. The second is the important market cultivation strategy. The third is the innovative strategy for market operations. According to the protection of environment, the company tries its best to seek for manufacturing environmentally furniture.

The marketing department has specialists for packing, planning, training and supervision.
<table>
<thead>
<tr>
<th>Positioning</th>
<th>Age</th>
<th>Income</th>
<th>Income</th>
<th>Ten thousand RMB</th>
<th>The style of products</th>
<th>Behaviors of consuming</th>
<th>Consumer groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth (18-25)</td>
<td>Mid</td>
<td>low</td>
<td>Mediu m</td>
<td>1-5</td>
<td>Fashionable</td>
<td>Cheap</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>dle a</td>
<td></td>
<td></td>
<td></td>
<td>nable</td>
<td>Good quality</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>ge d</td>
<td></td>
<td></td>
<td></td>
<td>y</td>
<td>Taste</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>n</td>
<td>Cheap</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Clas</td>
<td>Taste</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>sical</td>
<td>Honorable</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lu</td>
<td>Cheap</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>xu</td>
<td>Honorab</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ry</td>
<td>le</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No req</td>
<td>eap</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>uirement</td>
<td>lep</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ic</td>
<td>Class</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ic</td>
<td>ic</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ic</td>
<td>ic</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ic</td>
<td>ic</td>
<td></td>
</tr>
</tbody>
</table>

FIGURE 6. Product positioning chart (Marketing Research Group 2014)
From the chart in Figure 6, we can see that the youth have preference for fashionable style of products. Middle aged people and the aged like different styles in different income level. Low income customers appreciate discount and cheap products. However the high income consumers like honorable style and they almost buy products through friends or relatives introduce. In addition, the medium income people are willing to buy products with good quality, they like practical products. (The investigation of furniture industry products positioning 2014.)

3.2.3 Products and management of the company

Products of the company are divided into three types, the design department of the company is dedicated to developing different products that meet demands of the market and improve the core competitiveness of products.

The managers pay attention to cultivate the mutual respective and establish the right modern idea about management and human resources. The company tries its best to be “human-oriented”. It can enhance employee cohesion and highlight the human value. On one hand, it is good for organizational advantage, because the employees will regard the company as a big home if they are respected. On the other hand, it can also improve the sense of responsibility of employees. In addition, the company gives priority to human capital investment and supports human resources so that it can develop a healthy human resources management mechanism.

However, the company does not pay more attention to training of employees, and in the opportunities of promotion, the company is not entirely meeting the actual needs of employees, and the company does not entirely depend on the abilities of employees. The company has no complete talent mechanism.

The most important is the frequent mobility of employees of the company. Some core employees often change to other companies because of the imperfect management mechanism and lower salaries.
3.3 SWOT analysis based on analysis of the business environment

A SWOT analysis is a structured planning method used to evaluate the strengths, weaknesses, opportunities and threats involved in a project or in a business venture. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective. (Wikipedia 2015)

3.3.1 Strengths

(1) Location

The company is located in Anhui Province. Anhui province is a region which is east of Jiangsu and Zhejiang, the two provinces that are the richer provinces in China. Anhui is a region to undertake economic radiation and industrial transfer of the coastal area. It has a unique advantage of connecting east and west, north and south. Anhui has 500 kilometers land with around 500 million population and the GDP accounts for 40 % of China. Furthermore, the location advantage can help the company to absorb good experiences of other provinces which are adjoined to it. (The introduction of Anhui Province 2013)

(2) Industrial development

Anhui province has relatively complete industrial system, main advantages of the company in Anhui lie in labour and industrial resources, as well as interaction with the developed province which are adjoined to the company.

(3) Human resources and labour resources

Anhui is a province with large number of population, which rural surplus labours account for the majority. In terms of talented persons, the scale of higher education in Anhui province has rapidly expanded and educational level and structure are various. The workers in companies have the patience to endure hardship. They are really flexible and hardworking. (The introduction of Anhui Province 2013)
3.3.2 Weaknesses

(1) The scale of the company is small and weak. The company gives priority to investing in smaller scale projects, and the company is lacking funds in overseas operations. Meanwhile, the company is susceptible to the business environment, and the capital it needs every time is too small, but high frequency of its need so that increases the cost of financing.

(2) The economic growth of the company mainly depends on investments, so the process is accompanied by excessive consumption of resources and the pollution and destruction of ecological environment.

(3) The independent innovation capability is not so strong and the company is lacking technological innovation with little low-tech products and low-technological culture. Furthermore, the products of the company are short of international brands, so the competitiveness of products is not good.

(4) The company is based on family management, lacking formal and scientific founded construction management, and in terms of the talents and fixed facilities, it is not good enough. In addition, the company belongs to semi-mechanized labour intensive enterprises. The level and ways of management are obsolete. Moreover, the company is also short of professionals and information construction of the company is not up to date. What is more, the company’s primitive accumulation is not enough. The layout structure of the enterprise is irrational. These all restrict the enterprise to accelerate and improve the development. At the same time, because of these conditions, the talents of the company are constantly leaving elsewhere, finally leading to lower level management and lower technological innovation capability. (The information of Ge Shang Furniture and Fabrics Co. Ltd. 2012)

3.3.3 Opportunities

(1) The location of the company is really good for its development and the company is filled with rich labour resources and the costs of labour are not too high.
(2) With the development of economic globalization, small and medium sized enterprises have many new opportunities for accessing to international markets. In addition, international finance has also brought new opportunities for small and medium enterprises and the development of update technologies create better conditions for the development of the company.

(3) China continues to enact new support policies. At the same time, the state has developed and improved a series of laws and regulations to create a favorable environment for small and medium enterprises. From 2009, China has simplified loan procedure and has increased the size of loans. Most importantly, small and medium size enterprises funds have increased from 3.9 billion to 9.6 billion Yuan. (The analysis of small and medium size companies in China 2013)

(4) In China, Anhui province tries its best to improve the credit guarantee system and promote credit system constructions of small and medium enterprises.

3.3.4 Threats

(1) The international competition is intense and foreign business environment is not mature enough for the company. More and more multinational companies come to China with well established brands, strong technology research and development strength and abundant operating capital.

(2) In recent years, the rapid rise in prices of raw materials results in the increasing speed in costs of products that is faster than the growth speed of sales income. In addition, the growth costs of technologies and some other factors lead to the increase of products' costs. (The analysis of Anhui province 2014)

(3) Anhui province has a lot of knowledge-based talents, but because of lack of economic development and talent incentives, the company does not pay more attention to the training of employees, this leads to a huge loss of talent. (The analysis of Anhui province 2014)
(4) Anhui province is lacking a specialized system for economic services of small and medium enterprises. (The analysis of Anhui province 2014)
4 IMPLEMENTATION OF THE RESEARCH AND ANALYSIS OF THE RESULTS

With the development of Furniture industry in China, some small and medium enterprises have some obstacles in their development processes. This thesis aims to analyze competitiveness of Ge Shang Furniture and Fabrics Company and help to come up with several suggestions and measures for the company to improve its competitiveness.

This research is to get information about furniture industry situation and the development condition of the company. The data has been collected through both qualitative research and quantitative method.

4.1 Qualitative research

Qualitative research is an interdisciplin ary, transdisciplinary and sometimes counterdisciplinary field. Qualitative research has an important position in deepen understanding of the situation of the company. It is quite useful for analyzing company’s development condition. (Nelson et al's 1992, 4.)

4.1.1 Interview

The interview was done with Mrs. He, the manager of Ge Shang Furniture and Fabrics Co. Ltd. on the Internet in 10th April, 2015. This were a successful talk and everything went without any problems. The interview questions were as below:

(1) What are your main responsibilities in the company?

(2) What is the latest development situation of the company?

(3) What is the competition situation of the furniture industry in Anhui province?

(4) In recent years, what is the ratio of export and domestic sales in the company and how it has been developing in the previous years and what is your expectation about it in near future?
(5) What is the biggest problem in the export trades of the company?

(6) What measures the company has taken in establishing and protecting brand and how does the company use brand building as a marketing tool?

(7) How does the company use marketing tools to develop?

(8) What are the strengths of the company?

(9) What are the weaknesses of the company?

(10) What are the main strategies in developing markets of the company?

(11) What are the main threats of the company?

(12) There is a growing emphasis on environment-friendly products, so concerning the company’s production and products how to reflect the concept of low-carbon environment?

(13) How do you see the future of furniture industry in China?

(14) How does the company promote its development in the future?

Through the interview, it was gotten many applied information about the company and furniture industry. The interviewee in this interview is the general manager of Ge Shang Furniture and Fabrics Co. Ltd. Her responsibilities in the company are making important decision on the development plan, operating principles, and organizing daily operations of major issues. In addition, she also has the responsibilities for signing and approving and dismissing middle managers and senior technical staff.

4.1.2 Results from the interview

Ge Shang Furniture and Fabrics Co. Ltd has several stores in Ma’an Shan city. Its visibility now is still not very well-known in Anhui, but in Ma’an Shan city the
company is popular. The scale of the company is a little small, the industrial influence is not enough. Marketing strategies and models of the company have drawbacks. Furthermore, with the increasing costs, the prices of products have been rising a lot and the sales amounts of products have dropped down. In order to retain workers, the company must pay much more than before to workers, so the profits are decreasing compared to previous years. Because of enormous pressure of furniture export industry, the export proportion just occupied near 20% of the total sales amounts in the company. The company still mainly on domestic sales, especially depends on sales in Anhui province. In the future, the company wants to try its best to develop foreign market through better designed, high quality products. However, products of small and medium furniture enterprises in China are usually lacking design. Most of them are manufacturing by imitating other popular furniture companies. So innovating ability is a bottleneck in small and medium furniture enterprises.

There are many competitors for the company in Anhui province, like Wan Bao Furniture and Fabrics Company, Red Apple, Royal and so on. All these companies are big companies with mature business models and sales channels. Compared with them, Ge Shang Furniture and Fabrics Company is lacking technical and design talents, perfect management and sales system. So the company needs to do a lot to improve its competitiveness.

To improve the competitiveness in the export trades, the company makes efforts to interpret different lifestyles and different attitudes to life with products. Moreover, the company tries its best to find out a breakthrough in product services to meet needs of different customers. The company has always won the customers with high quality products and services in order to establish their great brand image in the furniture industry.

Because of its small scale, limited financial resources and lack of talents, the company can not be the same as the big companies and to do advertisements in the popular television programs. It can only promote products and brand reputation by distribution leaflets and album. Ge Shang Furniture and Fabrics Company takes advantage of some annual festivals to do some publicity and
sales promotions activities to expand customers’ awareness to the brand.

The company tries its best to adapt to the furniture market development and to enhance its competitiveness. In terms of market segmentation, the company has demonstrated a strong integrated strength. The company is unique in aspects of product controls and sales channels.

The company has always put the products quality and environment protection in the first place. What is more, the company pursues to be environment-friendly in each production process. At the same time, the company also introduces advanced technology and equipment from abroad to ensure products quality and reduce pollution in the production stage, achieving low-carbon production. This behavior shows the sense of responsibility in the company.

SWOT analysis based on interview results

Strengths
(1) The company has location advantage, so the company can absorb the successful experience and help the adjoined province.
(2) The company has strong labour force. These labourers are with relative low salaries.

Weaknesses
(1) The competitiveness of new brands are relatively weak because of the increasingly strong brand commitment of customers.
(2) Products with low visibility are lacking brand connotation.
(3) The competition of prices is very fierce because of their high costs.
(4) Lack of internationalization and management resources.
(5) The furniture industrial productivity level of furniture is not high.
(6) The educational level of employees and employer in this small and medium furniture enterprise is not too high, so they are all lacking quality awareness. The enterprise management system is not perfect.

Opportunities
(1) There is no monopoly among furniture industry because of raw material
supply chain optimization.
(2) Production and costs of foreign furniture products are too high, so from the perspective of market share competition, compared with the domestic furniture industry, the foreign furniture products do not occupy too many advantages in a short time.
(3) After China has participated the WTO, the companies in China can introduce advanced technologies and talents.
(4) Driven by the booming real estate and construction industry, huge marketing demands will certainly lead to many opportunities for the furniture industry. Young and middle aged people as the mainstream consumer group with strong purchasing power illustrates that the changes in the knowledge structure and positive attitude towards life is a powerful guarantee for bringing profits to the furniture market.

Threats
(1) The homogeneity of products is more and more obvious in the furniture markets.
(2) The existence of vicious competition takes place in furniture industry, especially among small and medium furniture enterprises.
(3) Substantial expansion of the furniture industry in China leads to more and more competition.
(4) The competition of product prices is very fierce because of their high costs.

In the current situation, the furniture industry shows a positive trend. But because the regional of furniture industry is relatively strong and one-time consumption of the furniture industry is also too strong, many people will no longer be concerned about the furniture industry. Therefore, making a brand within the industry into a well-known brand remains to be studied.

Products in furniture industry have become more and more intelligent, functional and miniaturized. The furniture industry pays more attention to environment protection and furniture enterprises make efforts to improve the efficient utilization of resources.

Nowadays, retro elements of furniture are increasingly popular in Chinese
furniture industry, so the company can design a series of retro furniture to meet needs of customers. What is most important for the company is focusing on services, reputation, and product quality at the same time and based on service and brand building to establish a good image of the company and products. These are things the company will do.

4.2 Quantitative research

Quantitative research is a formal, objective, systematic process in which numerical data are utilized to obtain information about what you want to know. (Burns&Grove, as cited by Cormack, 1991, 140.)

Quantitative research is very important in analyzing furniture market and knowing the mentality of customers.

4.2.1 Data collection

The data was collected through a questionnaire method. 150 e-mails with a questionnaire were sent to 150 person in Ma'an Shan city, Anhui province. These 150 emails addresses were selected randomly from the database of the company. The e-mail survey started on 3\textsuperscript{rd} April, 2015 and ended on 13\textsuperscript{th} April, 2015. 138 emails were sent back with responses, so the response rate is relatively high, approximately reaches to 92 %.
In following figures are the survey result are presented:

1. What is your age group?

![Age groups](image)

**FIGURE 7. Age groups of the respondents (n=138)**

Different age groups have different values on furniture purchasing, so this question aims at getting an overall understanding of age composition. As we can see from the chart in Figure 7, the largest age group in this survey is from 21 years to 30 years. The smallest age group is the respondents over 60 years old.

2. What is your gender?

![Gender](image)

**FIGURE 8. Gender of the respondents(n=138)**
The pie chart in Figure 8 indicates that the percentage of females among whole respondents is 61%, while there is 39% of male respondents. Different people with different gender will have different purchasing behavior options.

3. What is your occupation?

![Occupation Chart]

FIGURE 9. Respondents’ occupation (n=138)

People who have different occupation will have different purchasing power and values, so these data can reflect proportion of different occupation groups. From this chart, we can realize that officers and businessmen are typical respondents, these two occupations are relatively equally represented in the results. However, unemployed persons also occupy 14.49%.

4. Have you bought furniture or fabrics during the past 3 years?

![Furniture Chart]

Have you bought furniture or fabrics during the past 3 years?
FIGURE 10. Furniture purchasing behaviors during the past 3 years (n=138).

During the past three years, 78.26 % people have bought furniture. Just 21.74 % people have not bought any furniture. So it means there is a big proportion of customers who have bought furniture during the past three years. The chart indicates that there is a big demand opportunity in the furniture market.

5. What kinds of furniture do you like?

![Bar chart showing favorite types of furniture](image)

FIGURE 11. Favorite types of furniture (n=138).

The chart shows us there is more than half of the respondents that like modern and fashionable furniture, and a few customers like luxurious types of furniture. The total percentage of classical and functional kind of furniture is more than 30 %.
6. What price level of furniture will attract you most?

![Price level chart](image)

**FIGURE 12.** What price level of furniture will attract you most? (n=138)

Most people like medium priced furniture. The proportion is 72.46%, and the percentage of people who like cheap furniture is almost the same as the people who like expensive furniture. They occupy 27.54% in total.

7. What is the most common reason for you to buy new furniture?

![Reason for buying furniture chart](image)

**FIGURE 13.** What is the most common reason for you to buy furniture? (n=138)

From the chart in Figure 13, we can see that decorating the apartment is the most common reason for people to purchase furniture, it stands by 49.28%. The reason of changing the old one to new one occupies 28.98% and the rest
of respondents people buy furniture for adding new furniture reason is 21.74%.

8. Through what media you get information about furniture? You can have multiple choices.

![Pie chart showing media for getting furniture information](image)

**FIGURE 14. Through what media you to get information about furniture? (n=138)**

We can see from the pie chart in Figure 14 that there is a large proportion of people who get information about furniture on Internet. And 36.84% of people get information through TV to about furniture. There are also a lot of people (63.16%) choosing friends or relatives to get furniture information. 21.05% customers get information about furniture through newspapers or magazines and the rest 18.42% people through other methods. Through this question the company can understand how to advertise the company's furniture products.
9. What kind of sales promotion you like most?

![Sales Promotion Chart]

**FIGURE 15.** What kind of sales promotion customers like most? (n=138)

The chart demonstrates that there is 78.95% of respondents who like discounts for furniture they buy. A few customers like more quantities (5.26%) or other sales promotion methods (2.63%). 13.16% people want to get gifts when they buy furniture.

10. Where you prefer to buy furniture?

![Furniture Purchase Chart]

**FIGURE 16.** Where do customers prefer to buy furniture? (n=138)

Most customers prefer to buy furniture in the real store, the percentage of it is 68.56%. A few consumers (7.89%) have preference to buy furniture on the Internet store. Some people like purchasing furniture in both these ways.
4.2.2 Evaluation of the survey results

This questionnaire was sent to people who live in Ma’an Shan city randomly through email, aiming at seeking for how to improve the product structure of the company and understanding the preferences of customers better. After the responses were received, they were analyzed.

We can see from the results that people from 21 to 45 years old take a big part of the clients of the furniture company in Ma’an Shan city and most of them are officers or business men. Working-class people are the major consumer groups in buying middle and low priced furniture. Their requirements for furniture are simple, functional at the same time with a modern beauty. As a small and medium enterprise, the company can use their costs advantages to attract the major customer groups with middle and low priced levels. Furthermore, most customers purchase furniture for decorating their new house or apartment, so the company can cooperate with house decorating companies to improve its sales volume and get stable customer volume.

Nowadays, there are many mass media for advertising products of the company. However, Internet is the most popular method among customers. They can get information about the company’s products through website advertisements. So the company can dedicate to putting high quality advertisements in websites to attract customers. What is more, TV is also a good way to do advertisements. The most important thing for the company is to pay more attention to the products’ quality. If a consumer has tried the product, and he or she was satisfied with the product, he or she may introduce it to others. As we all know that people usually like to trust their friends or relatives, so this may be the best way to promote the company’s products.

Sales promotions are the set of marketing activities undertaken to boost sales of the product or service. Sales promotions are also very essential for the company to attract consumers. Sales promotions include discounted prices, e.g. buy three just paying for one, free gifts, vouchers and coupons and so on. Through the questionnaire used in this thesis, we find that discount is a
promotion method people like most. So the company can give extra discount for loyal customers and also the company can give discount to the first bought customers to attract him or her to buy again in the next time. In addition, when there are festivals, the company can organize some activities, like giving free gifts to customers for celebrating the festival or something like that. But sustained sales promotions can seriously damage a brand and its sales, as customers wait specifically for the sales promotion to buy and not otherwise. Therefore, sales promotions are expected to be used as a tactical measure as an important part of the whole marketing plan but not the end of the marketing measures. (The Economic Times 2014.)

The largest customers prefer to purchase furniture in the real store, but just a few people have a preference for the Internet store, so the company needs to pay more attention to the real store and at the same time, the company can try its best to establish the Internet store because there are some consumers who like buying furniture combined real store with Internet store. If the company can build the Internet store well, maybe there may be more and more people purchasing furniture on the Internet.
5  CHALLENGES AND SUGGESTIONS FOR THE COMPANY

5.1  Challenges and reasons for lack of competitiveness of the company

Small and medium enterprises account for 95% of all private enterprises in China. However, to some extent, capital, talents, technology and discriminatory policies all restrict the development of these small and medium enterprises.

(1) Concerning capital, a shortage of funds and financing the difficulties of Ge Shang Furniture and Fabrics Co. Ltd. has become the most troublesome problem. It is difficult for the company to get financial support from the bank and the government. Because of lack of capital and investment in the operation, some products with great marketing prospect are helpless to stop. The company has narrow financing channels because it does not have direct financing channels, a perfect venture financing system, a comprehensive legal protection system and a government support system.

(2) In labour talents terms, Ge Shang Furniture and Fabrics Co. Ltd is obviously inherent. At the beginning of establishing the enterprise, it relied on cheap labour to get low-cost advantage. Because of outdated knowledge structure, lack of innovative capacity and marketing awareness, it is more and more difficult for workers of the company to adapt to the complex corporate structure and changing market conditions. Ge Shang Furniture and Fabrics Co. Ltd does not have enough human resources management and marketing expertise. The company is also short of expertise, technicians talent. The scale of this company is a little small and technological level is not high enough to compete with other companies. It is hard for the company to achieve industrial update and product promotion in a short term.

(3) Low technology of products leads to low development potential of the company.

(4) The brand operation awareness of Ge Shang Furniture and Fabrics enterprise is weak.
5.2 Suggestions for the company

For future development, the company is expected to expand export trade share and adhere to develop environment-friendly products. Below are also some suggestions to solve challenges the company now meets.

(1) Solving the financing problem by varieties of channels
   - Expanding the proportion of credit loan is to improve the financing capacity of the company.
   - Introducing venture capital is to improve the ability for direct financing for the company.
   - Strengthening the company is self-development is to enhance its internal financing capacity.

(2) Establishing modern enterprise management mode of the company
   The company can establish the governance structure which consists of the decision-making department, management and marketing. The company also can set up a scientific enterprise leadership structure and organizational management system to achieve system innovation.

(3) Focusing on the introduction and cultivation of foreign talents
   The company can conduct business skills competition to discover potential employees. The company can also participate in various job fairs or find other ways to broaden talent introduction channels. The company can combine salaries with employees' work performance. The company can fully implement job training for employees. In addition, the company is expected to employ some employees major in product design to improve the creativeness of products in the company.

(4) Undoubtedly, the most important thing for enhancing brand image and brand operation is to combine product culture with product itself. Strategic brand building is always a long term plan, not just solving current problems. The strategy needs to be considered with the help of customer analysis, competitor analysis and internal analysis. The company can create multiple choices, set up some activities to promote the brand and develop their own
personalized brand. Furthermore, the brand story is also essential for the company to build a brand image, because it can illustrates the relationship between receivers and the brand. Creating meaning is by answering customers’ values and expectations, so when the company does brand building, it must take actions to investigate the market situation and customers awareness. Embodying the brand and bringing customers’ life some benefits and values is also great for the company.
6 CONCLUSIONS

Company competitiveness is an ability of a firm to offer products and services that meet the quality standards of the local and world markets at prices that are competitive and provide adequate returns on the resources employed or consumed in producing them. In a competitive market, the enterprise by cultivating their own resources and capabilities, can have access to external resources and make full use of them, not just creating values for customers, but also realizing their own value.

Ge Shang Furniture and Fabrics Co.Ltd is a small and medium company which has less competitiveness in Chinese market because it has some external and internal challenges, so it is essential for Ge Shang Furniture Company to take some measures to improve its competitiveness in the market.

This thesis contains a SWOT analysis and an internal and external analysis of development situation for Ge Shang Furniture and Fabrics Co. Ltd.

For understanding furniture market better, doing research is very important. This thesis has been done by using qualitative research (interview) and quantitative research (questionnaire survey) to analyse the furniture market in Anhui province. It was found out that there is a huge demand for furniture nowadays. So the company needs to take actions to improve brand image to let more and more customers know the brand and the company so that the company can expand market and sales amounts. The company needs to complete their management system and have a positive attitude towards solving financing problems in the development process.

By doing the thesis I learned much by studying the theoretical background. In the thesis I could combine knowledge I have learned before with the practice better. My supervisor always gave instructions to me patiently. Although it was a little difficult for me to do the thesis and it took long time for me to complete it, it was still an experience that taught me a lot.
REFERENCES

Published Sources

Chinese Ministry of Commerce 2013
International competitiveness ranking of China, 2006-2012
Chinese Commerce Publisher

Word Competitiveness Yearbook 2009-2013, IMD
International competitiveness ranking of every enterprise’s indicators
International Economics Publisher

China News 2014
The meantime increase speed of import and export amounts in different types companies in China
People’s Daily Publisher

China Furniture Commercial 2013
Porter’s Five Forces Framework in furniture industry
Chinese Industry Publisher

Anhui Province 2013
The introduction of Anhui Province
Anhui Publisher

Unpublished Sources

Introduction of Ge Shang Furniture and Fabrics Co. Ltd. 2011
Department of division of the company

Statistics Department in Anhui Province 2013
Export trade amounts of foreign trade of private enterprises in Anhui Province
Marketing Research Group 2014
   Furniture Industry Products Positioning Research. Anhui University.
   Hefei

Commercial Department in Anhui Province 2012
   The analysis of small and medium private enterprises in Anhui

Commercial Department in Anhui Province 2013
   The analysis of export structure of small and medium private enterprises
   in Anhui

Nelson et all 1992
   Qualitative Research

Burn&Grove, as cited by Cormack 1991
   Quantitative Research
Internet Resources

Wikipedia (on line)
SWOT analysis
http://en.wikipedia.org/wiki/SWOT_analysis
Retrieved 20 February 2015

Furniture Agency 2013 (on line)
The internal environment analysis in Chinese furniture industry.
http://www.toosii.com/jiaju/keting/xingyefenxi/16589.html
Retrieved 14 February 2015

China Financial Officer Network 2009 (on line)
Tax support structural policy of small and medium sized enterprises in China
http://www.chinacfo.net/fzjx/mj.asp?id=A200991591143307494
Retrieved 20 February 2015

The Economic Times (on line)
Sales promotion definition 2014
http://economictimes.indiatimes.com/definition/sales-promotion
Retrieved 17 April 2015

Sougou Baike (on line)
Business environment analysis 2014
http://baike.sogou.com/v7730986.htm
Retrieved 10 May 2015
INTERVIEW QUESTIONS FOR THE MANAGER OF GESHANG FURNITURE AND FABRICS CO. LTD.

1. What are your main responsibilities in the company?
2. What is the latest development situation of the company?
3. What is the situation in the competition of the furniture industry in Anhui province?
4. In recent years, what is the ratio of export and domestic sales in the company and how it has been developing in the previous years and what is your expectation about it in near future?
5. What is the biggest problem in the export trades of the company?
6. What measures the company has in establishing and protecting brands and how does the company use brand building as a marketing tool?
7. How does the company use marketing tools to develop?
8. There is a growing emphasis on environment-friendly products, so concerning the company’s production and products how to reflect the concept of low-carbon environment?
9. What are the strengths of the company?
11. What are the weaknesses of the company?
12. What are the main strategies in developing marketing of the company?
13. What are the main threats of the company?
14. How do you see the future of furniture industry in China?
15. How does the company promote its development in the future?

THANK YOU FOR THE INTERVIEW!
Questionnaire about furniture buying behaviour

Thank you for taking your time in the busy schedule to complete this survey, this questionnaire is the empirical part of my thesis, thank you for your participation!

I am a student who is studying at Savonia University of Applied Sciences. I want to analysis the furniture market in Ma’an Shan city, Anhui province through doing this survey. For this, I will choose 150 customers from different age stages, and I will send the questionnaire to your emails, if you have done the survey, please send the answers back to my email. Please choose the suitable answer about yourselves. And when I get the results, I will analysis them and put them into my quantitative research of the thesis. For this survey, there is no personal answers registered and results are only in tables and figures for research purpose. I will present the survey questionnaire to the respondents. Thank you !!!

1. What is your age group?
   A. Under 20
   B. Between 21 and 30
   C. Between 31 and 45
   D. Between 46 and 60
   E. More than 60

2. What is your gender?
   A. Female   B. Male

3. What is your occupation?
   A. Officer
   B. Unemployed
   C. Business man
   D. Other, what ?
4. Have you bought furniture or fabrics during the past 3 years?
   A. YES       B. NO

5. What kinds of furniture you like?
   A. Modern and fashionable
   B. Classical
   C. Functional
   D. Luxury

6. What price level of furniture would attract you most?
   A. Cheap
   B. Medium prices
   C. Expensive

7. What is the most common reason for you to buy new furniture?
   A. Changing the old one to new one
   B. Decorating the house or apartment
   C. Adding new furniture
   D. Other, what?

8. Through what media you get information about furniture? You can have multiple choices.
   A. TV
   B. Internet
   C. Newspapers or magazines
   D. Friends or relatives
   E. Other, what?

9. What kind of sales promotion you like most?
   A. Discounts
   B. More quantities
   C. Gifts
   D. Others, what?
10. Where you prefer to buy furniture?
   A. On the store
   B. On the internet
   C. Combine A with B

Thank you for your answers !!!
关于家具购买行为的问卷调查

感谢您在百忙之中抽出时间来完成这份问卷调查，这份问卷调查是我毕业论文的实践部分，感谢您的参与！

我是一名来自己萨沃尼亚应用科技大学的学生，我想要通过这份市场调查来分析安徽省马鞍山市家具市场的一些情况。为此，我将从不同的年龄层抽出 100 名顾客，我将给被抽中的调查者发电子邮件。如果您完成了这份调查，请您将您的答案发回我的电子邮箱。请从所给的答案中选择适合您的选项。当我得出结论，我会把这些结论放在我的论文中，关于您的隐私和如何回答问题不会被泄露，此次调查仅作为毕业论文的调查使用，最后我将会把调查结果展示给你们，谢谢配合！

1. 您属于哪个年龄层？
   A. 20 岁以下
   B. 21 岁到 30 岁之间
   C. 31 岁到 45 岁之间
   D. 46 岁到 60 岁之间
   E. 60 岁以上

2. 您的性别是？
   A. 女性
   B. 男性

3. 您的职业是？
   A. 白领
   B. 无业者
   C. 商业人士
   D. 其他，_________________________________________________

4. 您在过去的三年里买过家具家俬吗？
   A. 买过
   B. 没有

5. 您喜欢哪种家具风格？
A. 现代化的，时尚的
B. 古典的
C. 实用的
D. 奢华的

6. 什么样价格段的家具最吸引您？
   A. 便宜的
   B. 中等价格的
   C. 昂贵的

7. 您买新家具通常是出于什么样的理由？
   A. 除旧换新
   B. 装潢新房子
   C. 需要添置新家具
   D. 其他，__________________________________________

8. 您一般是通过什么样的方式获得关于家具的信息？您可以有多个选项
   A. 电视
   B. 互联网
   C. 报纸或者杂志
   D. 朋友或亲戚告知
   E. 其他，__________________________________________

9. 您最喜欢什么样的促销方式？
   A. 打折
   B. 买一送多
   C. 送礼物
   D. 其他，__________________________________________

10. 您比较倾向在哪里买家具？
    A. 实体店
    B. 网上购物
    C. 二者结合

感谢您的参与！！！