

Business Analysis of Ming Zhu Real Estate Development Co. Ltd.

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Bachelor's Thesis

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<p>Abstract</p> <p>Ming Zhu Real Estate Development Co. Ltd. is a limited liability company in Lu'an City of Hefei Province, in China.</p> <p>In 2002, Ming Zhu Company became a real estate company; the projects have the grand bazaar of Feixi Anhui, Kang Hong uptown, Jin Long uptown, Ming Zhu Square, JiangNanShiJia uptown and Ming Zhu International City.</p> <p>Ming Zhu Company paid attention to their company and brand image. They clearly knew that high quality and good location are important. These factors are the internal advantages of Ming Zhu Company. Of course, they also recognized their internal disadvantages and are working to eliminate the negative factors.</p> <p>From the view of population density, the customer demands are large; it is an opportunity for Ming Zhu Company. There are many competitors and they have considerable strength. With the relaxed government policy, the numbers of competitors will be increased. This threat requires that Ming Zhu Company should continue to innovate in order to attract more customers.</p> <p>Analyzing the internal situation of Ming Zhu Company, it is significant to search the key to success. In conclusion, the basic key is capability of leaders, followed by the full preparation, government support, the quality assurance, the insistent spirit and belief and the cooperation.</p> <p>Through the business analysis, there is a suggestion to Ming Zhu Company — subjoining an information technology department, firstly, they need to enrich the contents of official website and then they should manage all electronic materials of Ming Zhu Company in order to preventing every staff from doing something that damages the profits of company.</p> <p>As a result of the analysis, the key for success of Ming Zhu Company was studied and the company got a comprehensive analysis of Ming Zhu Company. It is good to their development in the future.</p>			
<p>Keywords</p> <p>Business analysis, key for success, Real Estate, Ming Zhu Real Estate Development Co. Ltd.</p>			

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1 INTRODUCTION

Ming Zhu Real Estate Development Co. Ltd. is a limited liability company which is located in intersection of Long He Road and Ren Min Road. It has been established in 2002 and the registered capital is 71.6 million RMB. The main business scopes are exploitation of real estate, market of building materials and interior decoration. The departments are shareholder, supervisions, engineering, investment, customer service, financial, sales and property management. Among these departments, there are 86 employees. (Lu Fang 2014, 1)

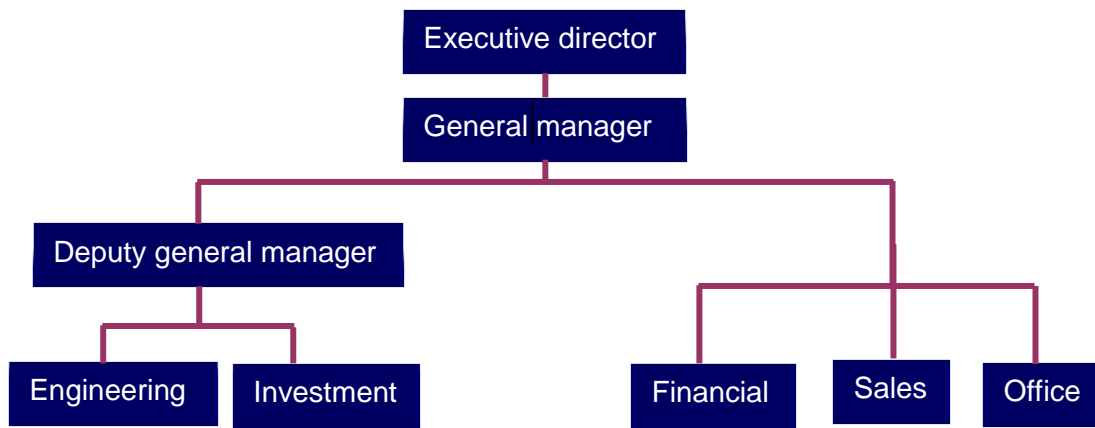


FIGURE 1. Organization chart (Lu Fang 2014, 2)

Figure 1 shows the organization of Ming Zhu Real Estate Development Co. Ltd. Depending on the type of the company, the highest position is executive director, the second level belongs to general manager, the third is deputy general manager and then there are engineering department, investment department, financial department, sales department and office. The lower level will be restrained and supervised by the higher one.

Ming Zhu Real Estate Development Co. Ltd. has an innovative, united and high-efficiency decision-making and management. Huang Jinsong who is executive director and legal representative led their group develop “The grand bazaar of Feixi Anhui”, “Kang Hong uptown”, “Jin Long uptown”, “Ming Zhu Square” and so on. These projects won a great economic, social and environment benefit. Especially, Ming Zhu Square costs 0.32 billion and occupies 210 thousand m², it includes uptown and shopping mall and now it becomes the image of Lu’an, many people prefer living there and enjoying the weekends in Ming Zhu shopping buildings. (Lu Fang 2014, 3)

The culture of the enterprise is people oriented which means that it is important to choose and train the high-quality employees. The rise or decline depends on people, people create environment, and in return, the environment will influence people. Ming Zhu Real Estate Development Co. Ltd. regards training as the premise of management. Through the training, the company can consolidate and enhance the professional knowledge; moreover, they also can obtain a group which has high and professional members, the most important thing is awaken the employees realize that they should change from “let me do” to “I want do”. (Lu Fang 2014, 2)

The purpose of enterprise is improving the ability, not only every employee’s ability but also the ability of company, developing the better building, creating better environment and the most important is gaining more benefits for the company.

1.1 Objective of the thesis

The objectives of the thesis are to get more real knowledge of Ming Zhu Company; they include development of Ming Zhu Company, customer situation, customer demand and competitors of Ming Zhu Company, different departments and their cooperation, goals and strategies of Ming Zhu Company and so on, and to know how does Ming Zhu Company meet with success, related with the knowledge from school and get more experience for me.

Quantitative method and qualitative method are both used in this thesis. In quantitative method, the answers are from employees of Ming Zhu Company. In qualitative method, the material is gathered from a manager of Ming Zhu Company and different sources. Combining with these two methods, reader will easy to understand how this company meets with success.

1.2 Structure of the thesis

This thesis has 6 main chapters; the target phenomenon is the business analysis of Ming Zhu Real Estate Development Co. Ltd. I chose situation analysis, internal business analysis and SWOT analysis as the theoretical framework for my thesis. This was achieved by information and data which from desk research and questionnaire. Some information is from internal material of Ming Zhu Real Estate Development Co. Ltd.

Chapter one is introduction and shows structure of the whole thesis. Chapter two is the presentation of the company and its market situation; it is divided in two parts: the brief introduction and the basic situation of real estate in China. In the first part, the history of Ming Zhu Real Estate Development Co. Ltd. is introduced and the development of the company is described. The other part showed the basic situation of real estate in China and gave some suggestions to Ming Zhu Real Estate Development Co. Ltd. Chapter three gives the analysis of market situation; it is described by demand, customers, competitors, environmental changes and marketing. It analyzed the market situation in Lu'an city, and also combined with practical situation of the case company—Ming Zhu Real Estate Development Co. Ltd.

Chapter four gives the situation of internal business in Ming Zhu Real Estate Development Co. Ltd. It included introduction and functions of different department of Ming Zhu Company and introduced cooperation between these departments. In the second part of Chapter five, it gave the goals and strategies of Ming Zhu Company. Chapter five is an analysis which is according to a survey for internal situation of Ming Zhu Real Estate Development Co. Ltd. and an interview for the managers of Ming Zhu Company and its competitors. Chapter six summarized the reasons of key to success in Ming Zhu Real Estate Development Co. Ltd. and Chapter eight is conclusions and some suggestions to Ming Zhu Company.

2 PRESENTATION OF THE CASE COMPANY AND ITS MARKETS

Ming Zhu Real Estate Development Co. Ltd. is a real estate company which was founded in 25th of September, 2002. There are 8 main departments: shareholder, supervisions, engineering, investment, customer service, financial, sales and property management and 86 employees in the company. Every department and every employee are harmonious; they can cooperate with each other. According to current situation of Lu'an, the city needs developing and the buildings need to be renewed, everyone do their best by their professional knowledge and work hard because of uniform purpose, the company will become stronger and stronger. (Lu Fang 2014, 1)



IMAGE 1. Ming Zhu Square (Ming Zhu official website 2012)

Image 1 shows Ming Zhu Square which was built by Ming Zhu Company in 2005. Ming Zhu Square was an earlier project, it is located in the centre of Lu'an city, and the buildings are offered shopping and entertainment. It becomes one of the symbols of Lu'an.



IMAGE 2. JiangNanShiJia uptown (Ming Zhu official website 2012)

Image 2 shows JiangNanShiJia uptown which was built by Ming Zhu Company in 2012. It can be regarded as the first uptown when Ming Zhu Company stay at its mature period. JiangNanShiJia uptown is a new form uptown that was built a garden which was grew the plants around the buildings.



IMAGE 3. Ming Zhu International City (Ming Zhu official website 2012)

Image 3 shows the buildings—Ming Zhu International City that was built by Ming Zhu Company in 2013, it was built with JiangNanShiJia uptown almost at the same time. It had built with stores, supermarket and entertainment area, the uptown has not only garden but also a small artificial lake.

2.1 Development of Ming Zhu

At the beginning of its career, Ming Zhu Company was not a real estate company. Unbelievably, it only started from a small company which sales building materials and designs the interior decoration.

At that time, company had few employees, the working capital was not too much, the leader of the company searched new potential customers and kept the current customer relationship, and he led his group finish many orders. After the company accumulated enough capital, it changed to a real estate company.

In 2002, the company became a real estate company, it is not a new company, it is an old small company which changed its field; even so, everything was difficult when it started, and Ming Zhu Company is without exception also. The characteristic of early stages of development were small scale and fewer people. Because of this, it

created a form that is a link closely between leader and employees; they kept a high efficiency also. The elements of success are capital, market, social relations and teamwork. At this primary stage, if they could have a perfect teamwork, catch an appropriate opportunity to develop the market and contact the loyal customer relationship, they could touch the success, the facts had proved that they already won the first step. (Kela90 2010)

The next stage, we can call it “growing stage”. After the company finished the first project, it continued to develop other one, this “single project” means that a company must finish a project and then do the next. In this stage, the company used the mode of “single project” for several years. It is a steady and rational strategy. The first project of company is the grand bazaar of Feixi Anhui, the second is Kang Hong uptown, the third one is Jin Long uptown and the next is Ming Zhu Square, they follow the “single project” mode. Ming Zhu Square is one of the most influential architecture in Lu’an, it is the largest square in Lu’an, and people will go there for shopping, eating and relaxing. (Kela90 2010)

Step three is called “expansive stage”. The company will accept different projects at the same time. There are some problems in the beginning of the development:

- 1) Capital is difficult to operate because many projects are running at the same time.
- 2) The organization and manager mode of company cannot adapt to the new situation, some missions and relations are not very clear.
- 3) The fee of management is growing exponentially; the human resource cannot adapt to the request of enterprises’ development; the officers of the flow behaviour are frequently.
- 4) The rules and regulations are not perfect; the efficiency of development is low; the objective of project has deviation and so on. (Kela90 2010)

The company formulated a plan to solve these problems:

- 1) Researching the strategy of enterprise’s development.
- 2) Adjusting internal and external resources; establishing stable capital chain.
- 3) Establishing the system of reward and punishment, in order to inspire the staffs.
- 4) Changing the method of management from people to system.
- 5) The leader of enterprise should improve knowledge and ability. (Kela90 2010)

The turnover of Ming Zhu Real Estate Development Co. Ltd. is one hundred million RMB per year in 2013. The company is at primary stage of “expansive stage” now. In this stage, there are two projects: JiangNanShiJia uptown and Ming Zhu International

City. The projects are finished almost at the same time. JiangNanShiJia uptown is a modern uptown which has a centre garden, people live in the buildings which are surrounded by the lawn and trees. Ming Zhu International City is an area where is built a parking in the ground floor, the first floor has many stores, the second floor is supermarket, the third floor has cinema and children's entertainment, from the fourth floor to the top there are residences of different style, in the other words; it is a combination of residence and business. (Kela90 2010)

2.2 Basic situation of real estate business in China

China is still a developing country, so the extreme disparity between rich and poor is too large, rich people will become richer and richer, otherwise, poor people still have no or less ability to earn money, they will become poorer and poorer when compared with rich people. On the other hand, different incomes depend on different areas: some cities which are located by the sea have the better geographical advantages and resources, they have a better chance to communication with other countries; some cities are developing with support of government. Because of these reasons, different cities have different income levels and consumptions; it decides the pricing of real estate.

TABLE 1. The house price of top 100 cities in China, in January, 2014 (RMB) (Datou-lasi 2014)

Top	City	New home price in RMB (Average) / m ²	Top	City	New home price in RMB (Average) / m ²
1	Beijing	37439	51	Liuzhou	7043
2	Shanghai	29974	52	Changchun	7001
3	Shenzhen	24927	53	Nanning	6961
4	Xiamen	21741	54	Lasa	6923
5	Sanya	21060	55	Xuzhou	6801
6	Wenzhou	19374	56	Changsha	6577
7	Hangzhou	18804	57	Dongying	6577
8	Guangzhou	18487	58	Hohhot	6543
9	Nanjing	17786	59	Rizhao	6542
10	Tianjin	15117	60	Guilin	6497
11	Fuzhou	14066	61	Tangshan	6354
12	Ningbo	13503	62	Taian	6318
13	Qingdao	12438	63	Yichang	6291
14	Zhuhai	12370	64	Jining	6275

15	Jinhua	12068	65	Ganzhou	6153
16	Dalian	10892	66	Baotou	6115
17	Taizhou	10823	67	Wuhu	6102
18	Suzhou	10609	68	Guiyang	6011
19	Shaoxing	10481	69	Yancheng	5952
20	Chengdu	9838	70	Zibo	5885
21	Jinan	9541	71	Zhanjiang	5882
22	Langfang	9397	72	Bengbu	5872
23	Nanchang	9241	73	Zhongshan	5856
24	Wuhan	8964	74	Luzhou	5803
25	Kunming	8898	75	Tongling	5793
26	Zhengzhou	8894	76	Liaocheng	5777
27	Lanzhou	8624	77	Yuxi	5757
28	Huzhou	8254	78	Xining	5756
29	Nantong	8237	79	Maanshan	5647
30	Foshan	8098	80	Huizhou	5615
31	Quanzhou	8036	81	Dandong	5601
32	Shijiazhuang	7966	82	Dezhou	5561
33	Yangzhou	7933	83	Xiangyang	5539
34	Dongguan	7876	84	Anqing	5532
35	Wuxi	7857	85	Weihai	5509
36	Jiaxing	7797	86	Lianyungang	5469
37	Yantai	7787	87	Jinzhou	5468
38	Shenyang	7722	88	Changzhi	5428
39	Taiyuan	7658	89	Cangzhou	5373
40	Urumqi	7618	90	Luoyang	5347
41	Chongqing	7527	91	Yinchuan	5289
42	Haikou	7519	92	Suqian	5279
43	Changzhou	7466	93	Baoding	5272
44	Hefei	7384	94	Jiujiang	5138
45	Harbin	7344	95	Jilin	5132
46	Shantou	7176	96	Jiangmen	5074
47	Zhenjiang	7110	97	Erdos	4990
48	Xi'an	7108	98	Pingdingshan	4966
49	Taizhou	7092	99	Nanchong	4959
50	Qinhuangdao	7079	100	Mianyang	4950

Table 1 shows the house price of main cities in China in January 2014. We can see there are 5 coastal cities in top 10; they are Shanghai, Shenzhen, Xiamen, Sanya and Guangzhou, the high price of real estate situation is not only because of the economic level, but also because of the environment. The city which is ranked in first is Beijing, as we know it is Chinese political centre, the second one is Shanghai, it is Chinese economic centre. It is valuable to pay attention that Tianjin is a municipality, it is developing with support of government, now it becomes the economic centre of north area.

From 91 to 100 in Table 1, there are just two cities from the same province—Sichuan Province: Nanchong and Mianyang, the others are from different provinces, but the same thing is that these cities are located in middle of China and west of China, some cities haven't be developed and some cities are far away from the sea, it is difficult to manager and communication. Because of these, their economy is a little fall behind. It decides the price of house is not too high.

TABLE 2. The exchange rate from euro to RMB in January, 2014 (Southmoney 2014 and Cngold. Org 2014)

Date	Exchange rate
10.01.2014	8.2372
20.01.2014	8.1746
Average	8.2059

In order to easy to measure, it calculates as euro with the average exchange rate from Table 2, the top 10 are 4562, 3653, 3038, 2649, 2566, 2361, 2292, 2253, 2167 and 1842 euro per square meter.

From 91 to 100, calculated with Table 2, there are 645, 643, 642, 626, 625, 618, 608, 605, 604 and 603 euro per square meter.

Lu'an is a "small" city in Anhui province, the "small" does not mean the acreage; it means its economy. The most expensive price of real estate in Lu'an is 6300 RMB/m² (about 794 €/m²), the normal average price of real estate in Lu'an is 4500-5500 RMB/m² (about 567-693 €/m²). The demand situation of real estate in Lu'an is large, because the city is developing and the buildings need to be rebuilding, so the Ming Zhu Real Estate Development Co. Ltd. has enough market.

The company should build and keep the good communication with government first, because now it is the developing stage in Lu'an, many places will be planned to rebuild, if we have a good relation with the government, it is easy to win more area to development. The channel is offers or builds some places or areas to hold the public activities for people with government. It makes company more famous, more and more people will know Ming Zhu Company; on the other hand, these kinds of activities are also beneficial to keep the satisfaction of government, so the government will be willing to cooperation with Ming Zhu Company. The other suggestion is become a sponsor. Ming Zhu Company can offer the capital to support some activities which had invited some famous person there; the more suggestion is investing more advertisements of Ming Zhu Company in Lu'an, it can be put on the bus, in the radio or in the outside TV. These behaviours have one target that enhancing the popularity of Ming Zhu Company, making Ming Zhu become a famous brand and attracting people choose it.

3 MARKET SITUATION AND ANALYSIS

Nowadays, the key of selling is to understand the market situation, some failure case are only to sell products without analyzing marketing. Now the company should understand types of customers, according to different kinds of customers, the sellers can use different methods to reply. Different customers have different demands; the products should be satisfied with demand of customers. And then, a company needs to know the situation of its competitors, make a comparison, in order to studying advantage of competitors and developing itself. It is called “*Precise knowledge of self and precise knowledge of the threat leads to victory*”. (Junvenjing 2013)

3.1 Demand and customers

Lu’an is located in the west of Anhui province; it is between Yangtze River and Huaihe River. The acreage of Lu’an is 17.976 thousand square kilometers and the whole population is 7.048 million, among this number, there are 300 thousand urban populations in Lu’an. (Jiangliwj 2014)

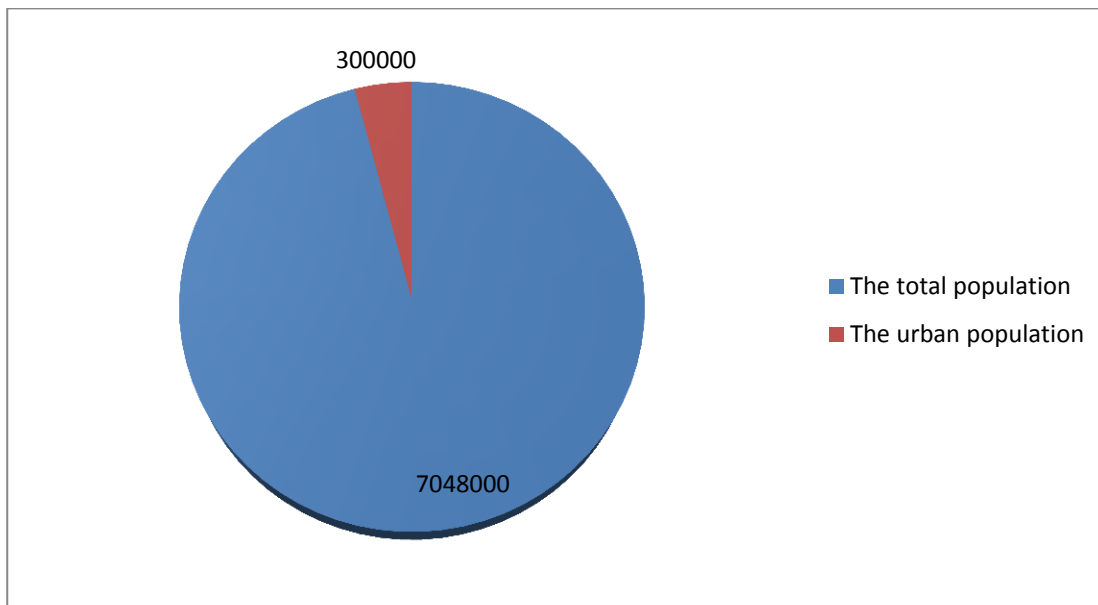


FIGURE 2. The population and urban population of Lu’an (2010)

The density of population is 392 per square kilometer. It means that on one square kilometer is living 392 people, the density of world’s population is 53 per square kilometer in 2014 (Census.gov 2014), the population density of Lu’an is higher than level of world in 2010.

How to solve the problem with less space but more people? The most effective method is to build new buildings which have more floors. Why they build the high building now? The reasons are:

- 1) The most important reason is the land is lacking now with the population growth.
- 2) The development of current technology.

Everything will develop when the times fly, because people will increase continually in future, some people will buy the house early for their children to avoid the price rise, someone buy the house just for investment.

As a company, the employees should design more comfortable and convenient building to content the demand of customers. A seller offers the good products or services in order to arousing the desire of purchasing. The house is the product and the after-sale service is the service of Ming Zhu Company, they should pay attention to both of them to satisfy customers' demand.

Paying attention to price and service is very important also. The company could plan a price strategy according to the market; there are three kinds of price strategies—aggressive, defensive and adaptive, combined with skimming price, penetration price and market price. Second, the price should comply with the price policy, it cannot unreasonable. Third, the company should understand the price method, according to different types of house; it should divide to different price level. The fourth one is psychology of pricing: 99.99 euro always looks like cheaper than 100 euro. Then the discount decision is also a clever way to increase the sales. Finally, the terms of payment should diverse: cash, card or internet. In a word, the price should ensure the company can earn more profit and let customers feel suitable and willing to purchase. (Linnas 2012)

Customer service should be noticed that employees must keep the friendly smile and eye contact with customer, sometimes nodding the head express agree and turning the whole body forwards the customer during the communication.



FIGURE 3. Product adoption process in consumer markets (Bradley 1995, 223)

Figure 3 shows the most popular forms of the adoption process, popularized by Rogers involves six stages. When a new product born, people are ignorance, they don't know anything about that, after they saw the advertisement or through other way to know the new product, potential buyers become aware of this product or brand. In some cases, the buyer takes an interest in the product and is motivated to seek information about it. After they try the product they have a good or bad evaluation. At the trial stage, the buyer purchases the product to test it. Adoption means to have occurred when the customer uses the product on a regular basis. In the last stage, the buyer search reinforcement of the adoption decision, but may reverse it if for any reason expectations are not fulfilled. (Bradley 1995, 222)

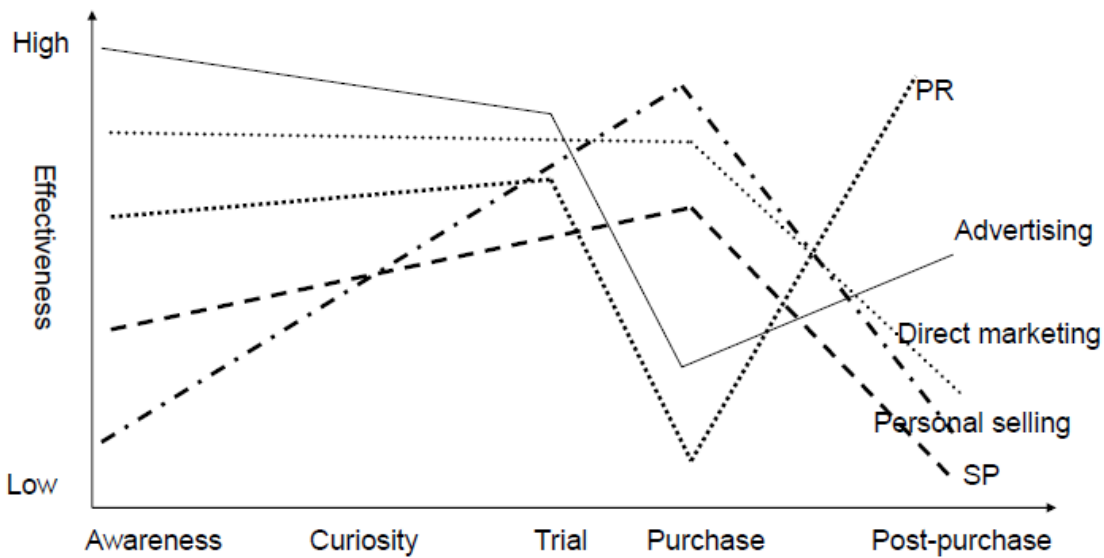


FIGURE 4. Planning process of marketing communication (Fill 2005, 25)

Personal selling is one kind of service, it is on top in the process of the purchase, (Figure 4), because seller will introduce the product to buyer face to face, it is easy to find the target group, if they use advertisement they don't know who will find their product and the target group cannot ensure quickly and exactly. Personal selling also can show a large numbers of information to the buyer in a short time. In the end of

process, the number of customers is smaller, personal selling help customer to close the products and push them to buy.

For the Ming Zhu Real Estate Development Co. Ltd., they show the advertisement to search the potential customer first; then, the potential customer will go to the sales office and ask about the situation of the building, through the personal selling, sellers will know the customer's demand during their communication, they will introduce and recommend the suitable type of building to the customers according to their demand.

The types of buyers: (Oksanen 2013)

- 1) Loyal
- 2) Future oriented
- 3) Best buy at the moment
- 4) Creative
- 5) Bargaining

Loyal customers

These customers will trust the company and willing to re-purchase for their products, even they will always buy many kinds of product from the same company or brand.

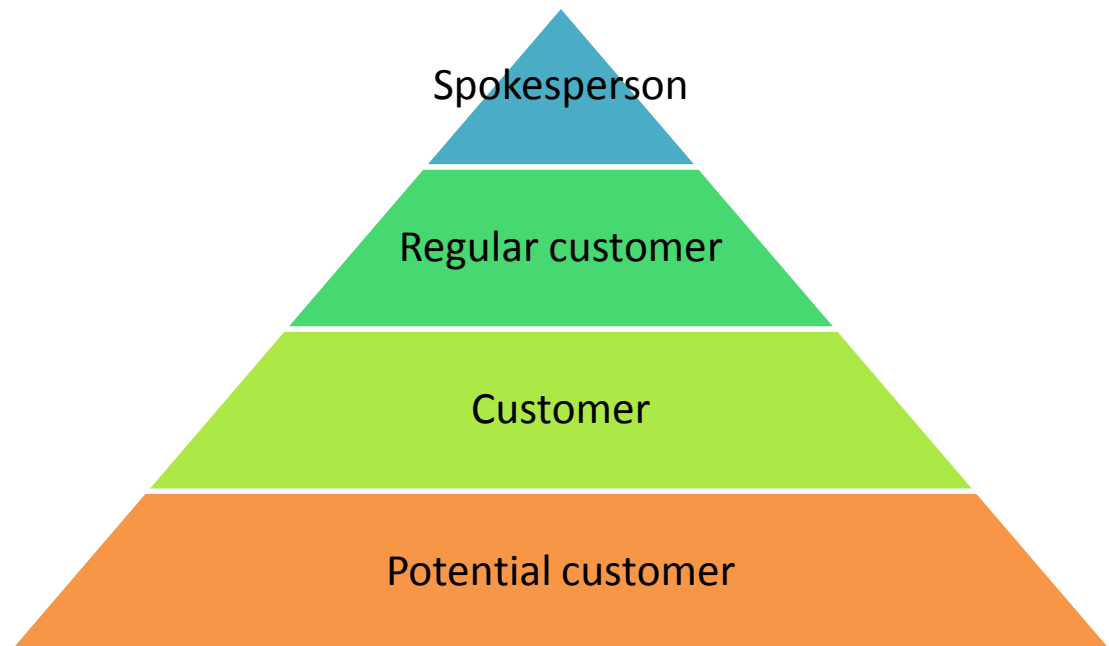


FIGURE 5. Different kinds of customers based on customer relationship (Linnas 2012)

There are 4 kinds of customers based on customer loyalty (Figure 5): potential customer, customer, regular customer and spokesperson. In the first stage, the potential means capable of being or becoming, so potential customer is someone who hasn't

yet purchased the products or services (Burstcreative 2009), it is the first step that a company establishes the relationship with customer, and then the customer means normal customers who purchase the products from the company, Regular customer means the customers who re-purchase the products. They have confidence in the products of company already and buy them not for once or twice, it is the development of relationship between customer and company. The final stage is spokesperson, it can be called VIP and the company can make a customize product for them.

Customer relationships are divided into three groups based on the level of customer loyalty at which they develop:

TABLE 3. Levels of customer relationship and customer loyalty (Linnas 2012)

Level	Links in customer loyalty	Degree of customization	The most important marketing strategy
1	financial links	small	low price
2	financial and social links	average	personal communicative interaction
3	financial, social and structure links	moderate large	tailor-made service

From Table 3 we can see that there are three levels, level 1 is financial links, the customers of this group have more time to choose the cheapest products, they only care the low price no matter which shop it is, so this group has low loyalty. Level 2 is financial and social links; it contacts with personal selling, customers will be loyalty because of specified sellers, if sellers change workplace, customers will move also. Level 3 is financial, social and structure links, it adds uniqueness, it requires products should be special, customers will choose the products because its unique style, the customers of this group have high loyalty. The first level is small and easy to search because that it depends on low price. Of course, every buyer prefers to purchase the lower price products and if it becomes buyers' habit, these buyers will become level one of loyal customer easily. The second level loyal customers are general group, not only low price but also face to face communications in patience are important methods to catch them. At the third level, if a company wants to have summit loyal customers, low price and face to face communication are not enough, the key is a company can offer a service that is customized and unique. Of course, that is very difficult, the company must constantly endeavor. (Linnas 2012)

Future oriented customers

There are two views to analyze this group. Firstly, these customers will not buy the product immediately; they are considering or comparing with other companies or brands. Secondly, the future oriented customers mean that people who will become a customer of the company in the future.

“Best buy at the moment” customers

These customers belong to impulse and easy to be persuaded, they will buy the product at that moment because the introduction, not a voluntary action, the possibility of re-purchase is very small.

This situation should be satisfied some points:

- 1) The price is low
- 2) The product is frequently-used product, e.g. daily supplies (shampoo, cleaner and foods).

Creative customers

This group has requirement about innovation of products, they hope they can buy the product which is unique.

The new products are also popular by them, if the product put into marketing just for several days; the creative customers will pay an attention to them, if they love that product, because its color, shape, function or whatever, they will purchase it in first time.

Bargaining customers

These customers always have an idea that the product can be cheaper than the normal price. What characteristic of product which is easy to bargain? First, the products are not very regular; there are no information and no address of production. Second, the product is not reach the standard, customers feel this product is not worth to purchase.

Facing different types of customer, Ming Zhu Company have different method to solve the problem. Firstly, the sellers should judge the type of customer quickly through their personal selling, and then, according to these types seller should introduce different types of building to them and use suited way to communicate with the different types customers. For example, if a customer who is a loyal customer, seller should introduce the advantages and disadvantages of building, but if a customer is a bargaining customer, seller should introduce the profit of the building in the future first.

3.2 Competitors

In the market, there are four main roles: follower, nicher, challenger and market leader. The followers are like sheep, they are coward, and they don't know how to control some situations, just follow and study from others, some of followers become smart, they like a monkey to study and remember some case and analyze them, after several years, they can become nichers. The nichers are like snakes. They are developing on the premise that they will not enrage the strong enterprise, they should choose a selective follow way. Sometimes they follow the stronger one, sometimes have innovation. The nichers can challenge slower and focus strength better. The challengers are stronger than nichers, they can accept some challenges by themselves. The strongest is market leaders, they have more experience on it, and their companies have many loyal customers. Building brand and keeping its image is very important. Service is applied in the whole process. They always have the new ideas and draw up the new objective, the profit is the biggest goal for them. The market leaders know that they produce the products to customers for earning money today, and they must create news to confront changing customers in the future. So the good market leaders know that they should not only seize the present, but also look forward to the future. (Linnas 2012)

The competitors of Ming Zhu Real Estate Development Co. Ltd. are Zhen Xing Group, HuaDuYuan Co. Ltd. and Heng Ke Real Estate Company in Lu'an.

Zhen Xing Group

Zhen Xing Group can be called market leader of real estate in Lu'an, it is the biggest real estate company in Lu'an. (Zhen Xing official website 2014)

It was founded in 1995 and it named Zhen Xing Real Estate Development Co. Ltd. at that time. Through exploration and practice for eighteen years, the corporation changed its name and it has two parent companies and twenty eight sub companies; there are 300 managers in company. The turnover of company is 1.5 billion RMB per year and the group already paid 50 million RMB for comprehensive tax in 2011. The main industry of Zhen Xing Group is real estate; the other industries are high technology, commercial concrete, property management, hydropower installation, construction and installation, decoration, car rental, sales of building materials, sand and gravel mining, heavy machinery, green building materials, new building materials,

logistics and distribution, professional building materials market and commodity market. (Zhen Xing official website 2014)

Zhen Xing Group had built 13 uptowns and 6 markets; the construction area is 2 million square meters and the investment of these building is 6 billion RMB, amount to about 0.8 billion euro in total. (Zhen Xing official website 2014)

On the basis of achievements, Zhen Xing Group defined development plan in the future, they plan they will expand more sub-companies, they want to have 30 sub-companies in 2015, achieve five mainstay industries: Guang Cai Market, Mei Shan Road Business Clusters, West Agricultural Ecological Park, Zhen Xing Industrial Enterprise Park and Zhen Xing Building Materials Industrial Park. At that time, the amount of marketing will reach 6 billion RMB per year, Zhen Xing Group plan to go public in 2020; they hope the group will be stronger. (Zhen Xing official website 2014)

There are too many constructions had been built by Zhen Xing Group, now here are three different kinds of constructions as following:



IMAGE 4. Zhen Xing Financial Tower (Zhen Xing official website 2014)

Image 4 is Zhen Xing Financial Tower which is used for working, in other words, it is an office building which offers a place to another companies who want to get an area to working. Of course, This Financial Tower also includes Zhen Xing Group's working place. It located beside commercial district and BinHe Park, the environment is good. Zhen Xing Financial Tower is a 5A office building; so-called 5A means Office Automation, Communication Automation, Fire Automation, Security Automation and Building Automation. (Shinanhua2046 2014) All equipment are required high technology and automation. These automations make people prefer working in this building. Otherwise, the advantages of Zhen Xing Financial Tower are explicit target group, graceful surroundings, more business space, graceful internal environment and high intelligence. (Zhen Xing official website 2014)



IMAGE 5. Xiang Zhang uptown (Zhen Xing official website 2014)

Xiang Zhang uptown is located on both sides of Zhen Xing Financial Tower (Image 5). There is a park and a small river in front of Xiang Zhang uptown, and is also closed to business areas. Xiang Zhang uptown has a good natural environment and it also can attract customers who are working in Zhen Xing Financial Tower, moreover, a busy business area is beside it, people could easy to arrive there to shopping or playing for enjoying their weekends. (Zhen Xing official website 2014)



IMAGE 6. Guang Cai Market (Zhen Xing official website 2014)

Guang Cai Market (Image 6) is a zone which had authorized by government offers a big place to sell building materials, steel products, dimension stone, agricultural machinery, tea and so on. The sellers are individual operation, they bought or rented house in Guang Cai Market to sold their products. The total investment of Guang Cai Market is 1.5 billion RMB and it had finished in 2008. It can allow 6600 self-employment ventures join and it can help 20 thousands people to solve the problem of employment. (Zhen Xing official website 2014)

HuaDuYuan Co. Ltd.

HuaDuYuan Co. Ltd. was founded in 2008. (Job. Wxc. Edu 2010.) The company believed in “Create value for city” to improve professional capacity and level of service. They developed with “Customer oriented” and continued with creating value for customers. (Anhuisuzhou 2013)



IMAGE 7. LiShuiKangCheng uptown (House.La.Xafc 2014)

The most influential project of HuaDuYuan Co. Ltd. is LiShuiKangCheng uptown. Image 7 shows a part of LiShuiKangCheng uptown. It had built in 2010 and it was located in the north of new administrative district that is main section of Lu'an city. It also located by Pee River which is only river of Lu'an city. (Zmin521 2014)

The average price is 4800 RMB per square meter now. There are many communal facilities around LiShuiKangCheng uptown, for example, the schools are NO.2 senior high school, NO.3 senior high school, NO.9 senior high school, West Anhui high school and Chengbei primary school. The shopping centers are Wanxi Road shopping street, Mingzhu Square, Wal-Mart and Baiyun shopping buildings. The hospitals are Renmin Hospital, Shili Hospital and Ophthalmic Hospital. The post office is China Post. Also there are some banks around LiShuiKangCheng uptown; they are Agricultural Bank of China, China Construction Bank, Huishang Bank and Postal Savings Bank of China. The transportation is also convenient; there are Bus 7, Bus 18 and Bus 201 go via LiShuiKangCheng uptown. (Zmin521 2014)

Heng Ke Real Estate Company

Heng Ke Real Estate Company was founded on April 28th, 2008; the registered capital is 10.03 million RMB. The company was a small company, so the office address had built in a sand management office in Meishan Road in 2008. Now the office is also located there. (Luan010728.11467 2013)

The most influential project of Heng Ke Real Estate Company is XinDe Square. It named square but actually it also an all-around uptown. It located in intersection of Jie Fang South Road and Da Bieshan Road.



IMAGE 8. The construction of XinDe Square in April, 2011 (House.La.Xafc 2011)

Image 8 shows the situation of XinDe Square's buildings in April, 2011. The red marks 1#, 3# and 5# show that specified constructions which are building. These three constructions had finished in December, 2011. (News.La.Xafc 2011)

There are 9 buildings in XinDe Square in total. Before another 6 buildings finish, the buildings are selling now, the average price of building is 5500 RMB per square meter in 2014. All projects will finish in the end of 2014 theoretically. (House.La.Xafc 2014)



IMAGE 9. The sketch of XinDe Square (House.La.Xafc 2010)

Image 9 shows that the picture which was drawn by computer introduces the image after XinDe Square finish. We can see there is a big square, many stores, shopping malls and supermarkets are built in this square. In the middle of square, there is a garden; people can get together to talk or relax. There are 4 buildings that is a part of XinDe Square in this picture.

Surrounding transportation is convenient; Bus 1, Bus 6, Bus 7, Bus 15, Bus 201 and Bus 302 go through XinDe Square, and there are many hospitals, like municipal hospital and NO.2 RenMin hospital. Otherwise, there are many schools also, for example, NO.3 high school and JieFang Road primary school. (News.La.Xafc 2013)

There are many real estate companies in Lu'an, but Zhen Xing Group, HuaDuYuan Co. Ltd and Heng Ke Real Estate Company are the strongest competitors. Through the above instruction, we can understand the advantage of these three companies. As Ming Zhu Company, they should compare with each competitor and analyze advantages and disadvantages.

Zhen Xing Group is a “market leader” of real estate in Lu'an. It was founded earlier and has more experience of development. Ming Zhu Company should study the advantage of Zhen Xing Group, in addition, Ming Zhu Company also should has own thought of development, innovation is an important thing during developmental process.

HuaDuYuan Co. Ltd. was also founded earlier than Ming Zhu Company. It has more experience and the project—LiShuiKangCheng uptown is a strong project. The most important reason is a wonderful location, combined with good and reasonable design; LiShuiKangCheng uptown becomes a strong opponent.

Heng Ke Real Estate Company is an old real estate company either, so it also has rich experience. XinDe Square is the newest project of this company and it is still building now, the constructions of XinDe Square is easy to sell during recent several years, furthermore, XinDe Square is a new period construction and it is designed with combination property that includes living area, recreational area and shopping area. Ming Zhu Company has similar project, but it still becomes their opponent.

In conclusion, Ming Zhu Company likes a nicher, sometimes they follow the stronger one—Zhen Xing Group, sometimes have their own innovation. When they can accept some challenges by themselves, they will become a challenger; I believe that this day will come soon.

3.3 Environmental changes

In 1993, some coastal cities developed faster than others and their real estate appear the phenomenon of economic expansion in China, the government quickly destroyed the economic bubble in these areas. After ten years, in 2003, it is an important year for development of Chinese real estate market; the real estate reform had released a lot of market demand, making the real estate investment had a rapid development. However, many areas appeared many problems such as investment growth was too high, commercial housing vacancy area was increased, prices rose too fast and the supply and demand of housing was imbalance. Because of the limitations on the knowledge, the government failed to fully grasp the housing problems, leading to strongly opposition of real estate developers. After adjustment, the government issued a notice, the content was summarized as we should promote consumption, expand domestic demand, stimulate investment growth and keep the economic development, and the real estate has become a pillar industry of national economy. (Yang Fengbin 2009)

In 2004, the government continued to adjust the real estate market, a notification rules that builders cannot give capital to developers for building, when developers developed projects his own money cannot less than 35 % of the total project invest-

ment, and buyers' building loan cannot be more than 50 % of their incomes. In 2004, government announced that increase lending and deposit rates, increase the interest for the first time in nine years, raising interest rates means that the housing loan cost will increase either, it also means that after repeated deliberation, the government formally used market leverage to adjust real estate market. (Yang Fengbin 2009)

In 2005, house prices increased too fast, the government continued control the real estate market, in 2006, the housing price increased as the government's adjustment, this situation continued until 2008. (Yang Fengbin 2009) The government policy became relax, housing price rose rapidly in 2009. (Wodeaigeini198 2010) After two years, the government adjusted again, real estate market fell in the frozen period. (Chenggang522 2012)

From 2012 to 2013, the housing prices grew in a small range and it is very stable, the government was still adjusting and controlling the real estate market at that time. (Bb031607135 2012 and 360doc 2013) In this year—Year 2014, the core of government regulation is not just house prices, as well as structure and distribution of housing. The policy stipulated that real estate is no longer unified management by countries; it can be managed by the local government. The past policy was limit supply also limit demand, but now the core is increase supply. In 2014, on the whole, the housing prices will continue increase and it is steadily, and then, the local government will continue adjust the real estate market, thirdly, many real estate enterprises will develop in oversea market, finally, the electronic commerce will instead of traditional marketing way. (Li Zhanjun 2014)

Ming Zhu Company was found in 2002, according to above-mentioned contents, in 2003, it is an important year for development of Chinese real estate market; the real estate reform had released a lot of market demand, making the real estate investment had a rapid development, at that time, Ming Zhu Company was also got an opportunity to develop. Although the real estate market was restricted by government later, Ming Zhu Company was still developing constantly; they built Ming Zhu Square in 2005. In the recent three years which is from 2012 to 2014, the government changed their policy and make the real estate had a new development, at this period, Ming Zhu Company built JiangNanShiJia uptown in 2012 and built Ming Zhu International City in 2013. (Ming Zhu official website 2012)

3.4 Marketing of Real Estate Company

The marketing of real estate includes three periods: prepare period, sales period and after-sales period. In prepare period, the companies should ensure the position of marketing and formulate strategies: sales strategy, advertising strategy and media placement strategy.

TABLE 4. The prepare period of marketing (Whzldc 2014)

The position of marketing	Concept	Theme	Core selling point			
Sales strategy	Opportunity	Pricing	Payment	Organization	Plan	Control
Advertising strategy	Plan	Objective	Types			
Media strategy	Choice	Combination	Budget	Plan		

Table 4 shows details about prepare period of marketing, the companies should ensure the position of marketing, it means that they should know where could they start and if this location will affect the building selling success or not. It includes marketing concept, marketing theme and core selling point; there are six points in sales strategy: sales opportunity, pricing methods, payment ways, sales organization, sales plan and sales control. There are three points in advertisement strategy: advertisement plan, advertisement objective and advertisement types. Media strategy includes media choice, media combination, media budget and media plan. They are all important and influence each other. (Whzldc 2014)

Marketing concept is that four elements called the 4 P's of marketing: 1) identification, selection and development of a product; 2) determination of its price; 3) selection of a distribution channel to reach the customer's place or organizing the availability of products for customers; 4) development and implementation of a promotional strategy. For real estate companies, the products are construction, they are improved with the development of city; they are set at different prices depending on its location, and are sold in places where are located near shopping center, school, entertainment area and so on. The real estate companies featured their debut at reconstruction events and are highly advertised on the web and on TV for promoting the device. Marketing is based on thinking about the business in terms of customer needs and their satisfaction. Marketing is different from selling like Theodore C. Levitt who is Harvard Business School's retired marketing professor said: "*Selling concerns itself with the tricks and techniques of getting people to exchange their cash for your product. It is not concerned with the values that the exchange is all about. And it does not,*

as marketing invariable does, view the entire business process as consisting of a tightly integrated effort to discover, create, arouse and satisfy customer needs.” In other words, marketing is not to get customers to pay for your products, it develops the customers’ demand and fulfills the customers’ needs. (Businessdictionary 2014)

Marketing theme means core content, it has a slogan in each marketing activities. For every marketing activity, the theme represents an epitome. A good slogan can attract customers to aware products. Of course, marketing theme is a core content of marketing, it also expresses core selling point. In this part, it requires company that shows characteristics and advantages of product to customers, that is the company shows value to them, and customers will purchase because of the valuable products. (Whzldc 2014)

Before the products enter the market, the company should have a sales strategy. For the real estate companies, they need choose a suitable time to introduce and sell their products, according to price policy and marketing situation, the companies need to know how to pricing their buildings, is it pricing different price according to different level, or use customers’ psychology to pricing a feeling cheaper price, or give the discount decisions to customers? All of them should depend on current marketing situation. The company should create more payment for customers: cash, card, internet, loans and so on. All companies have a sales team to organize their activities, they will plan before the activities start, and they will control the whole process. (Whzldc 2014)

From the adaptation process of products, there are six steps: ignorance, awareness, knowledge, preference, purchase and re-purchase. At the beginning of this process, people have no information about the products, if the company wants to introduce their products; the most direct way is through advertising to introduce their products, it is mass media content intended to persuade audiences of readers, viewers and listeners to take action on products, services and ideas. The idea is to drive consumer behavior in a particular way in regard to a product, service or concept. In summary, advertising is the paid, impersonal, one-way marketing of persuasive information from an identified sponsor disseminated through channels of mass communication to promote the adoption of goods, services or ideas. (Uncp.Edu 2013) The advertising is very important in the early stages of the process, because that:

- It introduces the products and shows others to know, let them to notice these products.

- It will be seen by the target group, they will have feelings about these products.
- It has a compelling headline. A powerful headline can grab attention by customers.
- Advertising can be delivered by any mass medium, for example, newspapers, magazines, radio, television, films, websites, billboards, posters, town criers, flyers, cars, bus station benches and so on. The company should choose a smart placement and then it will get a good result.
- A smart advertising has an eye-catching graphics; it will pull a reader or viewer into the ad. Advertising can easy to spread and it is quickly. People will understand large information of products in a short time. (Uncp.Edu 2013)
- Advertising can also build brand value. (Fill 2009, 487)

It is necessary to do an advertising strategy. The main reason is that it is a good way to secure an audience's attention and achieve a longer-lasting impact than through traditional messages and attention-getting devices. (Fill 2009, 489) Firstly, the company will plan the whole process, it includes design, contents, make and publish. Then, the company should ensure their objective: what is their target group and what kind of effect do they want to see. Finally, the company should consider how to choose a smart placement to put the advertising and what types of advertising will they use.

Media is divided two types, one is traditional media, and the other one is digital media. Traditional media has newspaper, magazines, television, radio, billboards and street furniture, transit, cinema and so on. Digital media includes internet, digital television, CD, mobile, video and so on. (Fill 2009, 711) According to different projects, company will choose different types of media which is suitable. Of course, if it is necessary, they can choose two or more Medias at the same time. Companies should do a plan ahead of schedule that includes choice, channels and budget.

In sales period, the sellers should play the most important role; they were trained before they worked, they can control and have their own sales strategy. Moreover, the company should assign capitals, analyze sales and understand competitors per month at the same time.

For real estate companies, in after-sales period, it is easy to control, because when sellers introduce the buildings to customers, it is a one to one model that can be called personal selling. This model can make the communication directly and quickly,

sellers can easily know what the demand of customers is, and it is easy to continue this good communication to the after-sales period. For example, when customer A has some problems after he bought the building, he will contact the seller who introduced and sold the building to him, because that seller is trusted by customer A.

4 SITUATION OF INTERNAL BUSINESS OF THE CASE COMPANY

The real internal business situation of Ming Zhu Real Estate Development Co. Ltd. is complex and confusing. Now it shows the basic process of internal business in Ming Zhu Company.

First, a fixed field which needs to develop will be offered by the local government that is Lu'an City Government. Government will publish the information of the fixed field, including location, acreage and the basic price. Second, investment department of Ming Zhu Company will assess that field's value, combined with its location, acreage and future development prospect, after they analyzed, if the area is valuable, they will give a report to leader to show that Ming Zhu Company can purchase this field. Then, Ming Zhu Company will give the price that they could accept with their competitors to win this field, the winner is a company which offer the highest price and they could obtain the land right to use. (Lu 2013)

Assuming Ming Zhu Company wins this field, engineering department will contact with design company and construction organization in first time, and they will discuss the layout of buildings, types of houses and so on together. After the discussion, construction organization will work in the land, before they build the uptowns, they will build a small building for sales department, and people can go to that small building to inquire the more details about the product—the houses of uptown. People can purchase the houses during the construction organization are building uptown. (Lu 2013)

People can choose many ways to pay for houses: cash, card, full payment and installment payment. No matter what kinds of payment, the staffs of financial department need to collect and check them every day. The responsibilities of sales department are introduce the situation of company and its products, catch the feeling of customer and push them to buy; they will also offer the service after they sell their buildings. From compete in the field's purchase to after-sales, supervisions department will supervise and control the whole process. Property management department can be called "professional after-sale service"; they will satisfy all requirements of customers as much as possible. (Lu 2013)

4.1 Different departments in Ming Zhu

There are eight departments in Ming Zhu Real Estate Development Co. Ltd, they are shareholder, supervisions, engineering, investment, customer service, financial, sales and property management. They have own responsibility: different departments have different roles, so every department have one manager, it is easy to control. Of course, each department has connection and teamwork, every department's manager and members will discuss together and choose the best solution.

4.1.1 Introduction and functions of different departments

Shareholder

Ming Zhu Company is a limited company that it is an organization; it has some shareholders who offer the capital to organize a company. A limited company can set up its own business and should be responsible for all things of its own right. The company's finances and individual finances are separated. Moreover, the company owns all profit which it makes, after it pays corporation tax, and then the company can share its profits. (Gov.Uk 2014)

Shareholder is the most important role in a limited company, In Ming Zhu Real Estate Development Co. Ltd, there are two shareholders in total, one has 90 % of shares, and the other one has 10 % of shares. The shareholders offered shares to create a company, they can rule the system of company, convene other shareholders to give suggestions casually, enquire or survey the true situation of company and so on. Of course, there are some clauses limited shareholders' behaviors, for example, they must comply with law, regulations and articles of incorporation, they cannot use their function and power to do something which will harm the benefit of company, also they cannot use their function and power to do something which will harm other shareholders' benefit. (China.Findlaw 2011)

Supervisions

The supervisions department which is similar with supervisory board has three members in Ming Zhu Company, because they only have three shareholders, this small scale is not necessary to establish a board of supervisors. In supervisions department of Ming Zhu Company, three supervisors' main duty is check the finance of the company, supervise the duty-related acts of managers, demand any managers' act

which has injured the interest of company, supervise the system of company and give some suggestions to company. (Wikipedia 2014)

Engineering

In Ming Zhu Real Estate Development Co. Ltd, the common duty of engineering department is help leader to choose a suitable design company and construction organization, check the drawing of project, check and adjust the plan, budget combine with the actual situation and supervise the executive condition by construction organization. There are many posts in this department: engineer manager, engineering director, budgetary engineer, civil engineer, hydropower engineer, surveying engineer, material engineer, landscaping engineer and data manager. (Liushuai873 2011)

Engineer manager is a leader in their department; do the following works on the premise that the engineer manager can comply with company's system and protect company's benefit: he need to manage the whole process of project from preliminary preparation to construction completion, formulate and supervise department's regulations, business process and staffs' tasks, coordinate the relationship with cooperation unit external and other departments in internal company, discuss with staffs in order to study and develop technology knowledge each other and so on. Engineer director's missions are assisting manager to prepare some preliminary work and to plan the process, giving the suggestions about drawing and program, supervising the purchase of building materials and construction equipment and so on. (Liushuai873 2011)

The main mission of budgetary engineer is offering exact data of whole construction area, house area, green area and so on, of course, the budgetary engineer also need to draw up a suitable charging standard in order to win not only maximal profits but also customers' satisfaction. The civil engineer should check construction layout drawing and supervise the construction process on the scene. The obligation of hydropower engineer is checking the design drawing of water, electricity and central heating, if these equipment have some problems in process of building, hydropower engineer must adjust them in time. Surveying engineer should establish engineering coordinate control points to insure that practical situation is accord with the data of design drawing. (Liushuai873 2011)

Material engineer should be familiar with the building materials, they need to quickly know the best material for different buildings in different place, and sometimes the

materials should be changed because of weather and environment. Landscaping engineer should design the green area reasonably and keep a good relationship with green unit in order to communicating information quickly and making the green work easier. Data manager should collect and manage the contract, files, certificate, data, design drawing and so on. (Liushuai873 2011)

Engineering department is a core department of Ming Zhu Company; these posts in this department have their own responsibilities but they also should communicate each other.

Investment

Investment department is an oriented department because that it decides which area should the company choose and that area will become the next development goal. They will analyze company's situation of operation, view "earn more profits" as its principle, research the economic policy of nation, assess opportunity and threats of company, know the resources and abilities of company in order to find out its advantage and disadvantage, and plan the short-term development goal according to long-term development objective of company. (Docin 2010)

Customer service

This department's work is started from preparation of project until they deliver all customers' information to property management department. In the early days of each project, they will collect materials, the mainly materials include: the company's credit certificate, project graph, the construction sector agreement, the house number (which had been proved by police department) and so on. Take part in the check work of promotional materials before sales. (Fdcew 2011)

When customers purchase the house no matter what kind of payment, they will collect the information of every customer clear. After customers buy the house, the staffs of customer service department should listen to customers in order to constantly improve management themselves. When they face to customer complaints, they also need to explain or deal with different situations, if the case is beyond the scope of management, they should report to leader of company in time. (Fdcew 2011)

When customers live in the buildings, customer service department will deliver the whole customers' information to property management department in order to the

staffs of property management department can continue to serve to customers. (Fdcew 2011)

Financial

The staffs of financial department should take part in formulating the financial system, contact and communicate with Inland Revenue department, finance bureau, bank and so on, manage capitals, analyze month, season and year financial situation, report the situation of operation to company's leader, make the sales statistics, store the financial statement every year and pay the wages to employees. (12fangdichan 2011)

Sales

Sales department should formulate sales target of the various stages, according to marketing situation, they should adjust the sales plan and sales strategy, in a fixed period of time, the staffs should make a survey to understand marketing situation, according to these information, they need to analyze them in order to offer the results which can be made a decision by company and summarize the sales situation every week. When the buildings are selling, the staffs of sales department will introduce the information of products to customers and give their suggestions. (Fdcew 2009)

Property management

When customers move to one uptown, the property management department of this uptown should ensure the surrounding environment of uptown is clean, make sure that the uptown is safety, protect the public facilities and maintain the roads of uptown. (Yanzioyi 2013)

4.1.2 Co-operation between departments

Real Estate Company is a special industry; it is a series of production and business activities includes design, construction, purchasing, marketing and management. These activities should become a whole process; every department should be closed to each other, so it requires every department need to have a good cooperation. (Liu Qingyun 2012)

In Ming Zhu Real Estate Development Co. Ltd, every department defines their right role in the company, they know what and how should they do. Viewing business process as management tools, the cooperation will become stronger. Ming Zhu Company has a good performance management and incentive system to keep every staffs' behavior consistency in order to get a same objective. (Liu Qingyun 2012)

Shareholder can ask questions and give suggestions to every department; they can check all materials of supervisions department and financial department if they need them. Supervisions department should supervise all departments' activities from preparation stage until the houses are sold out. Engineering department is a core role so they have many works to do, after the buildings are constructed, they will check the process report from supervisions department and budget from financial department, moreover, engineering department should coordinate with sales and property management departments, because the staffs of engineering department have materials about details (for example characteristics, location, scale, houses' type, environment and so on) of construction, after the construction were finished, they will introduce these new buildings to sales and property management departments at the first time. Investment department analyze the whole operations of Ming Zhu Company with financial department in order to getting the highest profits, they always communicate with other departments to know the current status of company and research the next strategy. Customer service department always work with sales department in order to satisfying customers' requirements. Financial department make the sales statistics according to the sales materials which are offered by sales department. Sales department and property management department have cooperation each other and they also usually communicate with engineering department and financial department. (Lu 2013)

4.2 Goals and strategies

Ming Zhu Real Estate Development Co. Ltd. has been established in 2002 and the registered capital is 71.6 million RMB. From 2002 to 2006, the turnover of company is 50 million RMB in total. After 8 years, in 2014, the turnover of Ming Zhu Company is 30 million RMB. In order to getting the better development, Ming Zhu Company should have specific goals and strategies.

Goals

The most important goal for a company is profit, the same with Ming Zhu Company, no profit no development. The profit rate of Ming Zhu Company should increase by 5 % in 2015. Second goal is that the turnover will reach at 0.1 billion RMB in 2020. Third goal is considered about satisfaction of customers for Ming Zhu Company, increasing it from 75 % to 80 % in 2020. Forth goal is make more customers loyal to Ming Zhu Company and make them more loyal. The final goal is control the education level of staff members, it should be insured that 100 % members are bachelor's degree and 20 % members are master's degree in 2018. (Nie 2014)

Strategies

The basic strategy is follow the strongest competitor—Zhen Xing Group. Second strategy is to make a good publicity, for example, make more advertisements in different kinds of media: on the newspaper, radio and even on the bus. Third strategy is Ming Zhu Company will continue to search good fields and purchase them for a suitable price, because of the lower cost, Ming Zhu Company can pricing a lower price than other competitor's with similar condition houses, low price could maximize long-term market share, of course, the precondition of low price must balance the needs of customers and firms. (Hollensen 2003, 513) The final strategy is Ming Zhu Company should communicate with the better Design Institutes to design better constructions. (Nie 2014)

5 RESEARCH IMPLEMENTATION AND RESULT ANALYSIS

It is a survey for employees of Ming Zhu Company; the main topic is analyzing the key to success of Ming Zhu. There are 16 option questions and 3 open questions in the survey. The employees of Ming Zhu Company are 86 in total and the respondents of this questionnaire are 53; they come from different departments. The survey was delivered through internet and was sent to every employee. From 5th of November to 16th of November, these feedbacks were collected.

5.1 Results from the survey

This questionnaire asks about the situation of Ming Zhu Company and its competitors. The survey is only for employees of Ming Zhu Company. The main purpose is to analyse positive and negative factors of internal Ming Zhu Company. The extra result maybe is to make leader and managers understanding the positive and negative factors in internal company and to adjust actions according to this survey.

Option questions

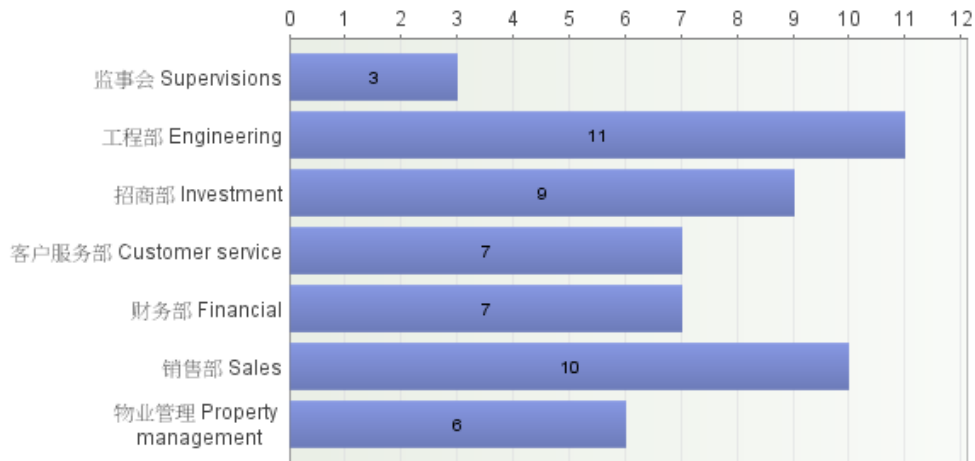


FIGURE 6. The departments of respondents (n=53)

Figure 6 shows the departments of all respondents. All members of supervisions took part in this survey, the number of engineering department is the biggest and the second one is sales department.

TABLE 5. The response rates of survey

	Employees	Respondents	Response rate
Supervisions	3	3	100 %
Engineering	20	11	55 %
Investment	12	9	75 %
Customer service	15	7	47 %
Financial	10	7	70 %
Sales	16	10	63 %
Property management	10	6	60 %
Total	86	53	67 %

Table 5 shows the response rates of survey; we can easily to see how many employees in different departments and how many respondents were take part in this survey. The most significant point is that the response rate of supervisions department is 100 %. The average response rate of this survey is 67 %.

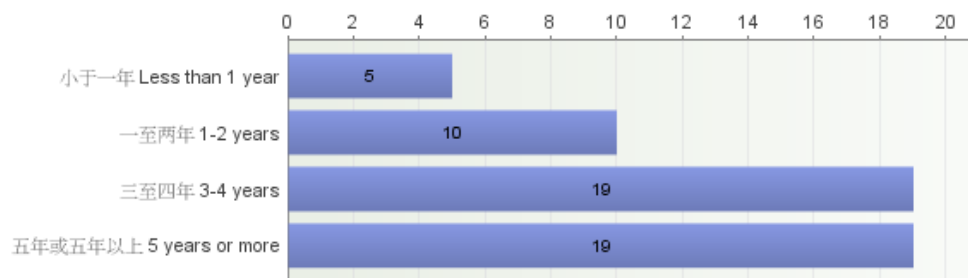


FIGURE 7. The working time of respondents in Ming Zhu (n=53)

This figure shows how long respondents have been working in Ming Zhu Company, more than half of respondents have been working there more than 3 years. It is reality because a project will continue for three years at least; more old employees are good for operating.

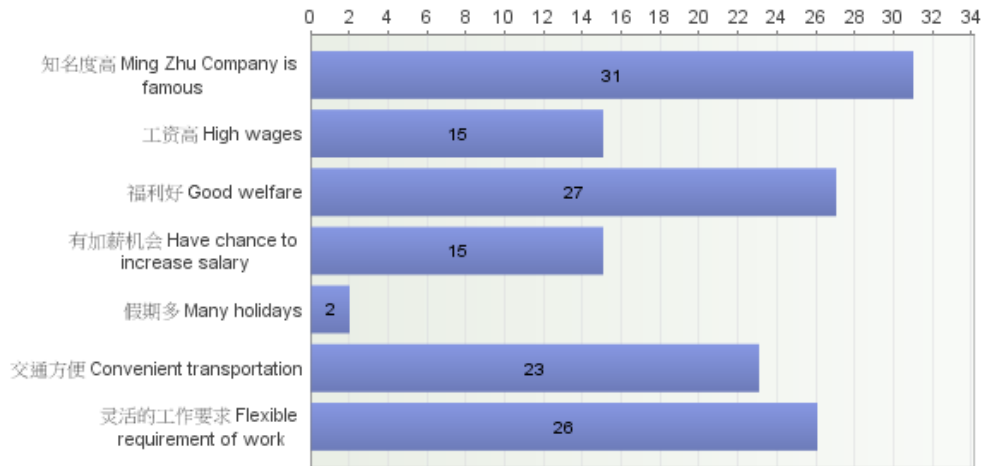


FIGURE 8. The reasons of entering the company (n=53)

In Figure 8, we can see that Ming Zhu Company is regarded famous, has good welfare, convenient transportation and flexible requirement of work are the most influential characteristics of the company attracted people to come and work in Ming Zhu Company. Among them, most people think “Ming Zhu Company is famous” is their first choice; the response rate is 58 %. From this point we can know that the brand image of a company is very important.

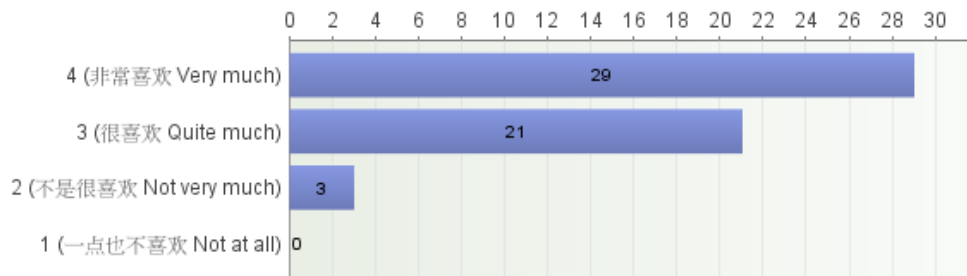


FIGURE 9. The favourite degree of working for Ming Zhu (n=53)

In Figure 9, we can see that almost all respondents in Ming Zhu like their work in the company.

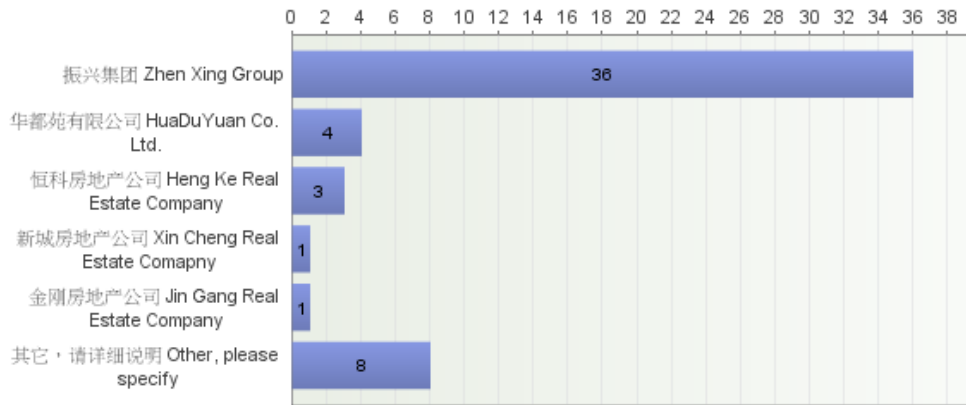


FIGURE 10. The strongest competitor for Ming Zhu Company (n=53)

There are 36 respondents think that Zhen Xing Group is the strongest competitor for Ming Zhu Company. The other specify are: Wanke Real Estate Co. Ltd. and DaRuiFa Real Estate Company.

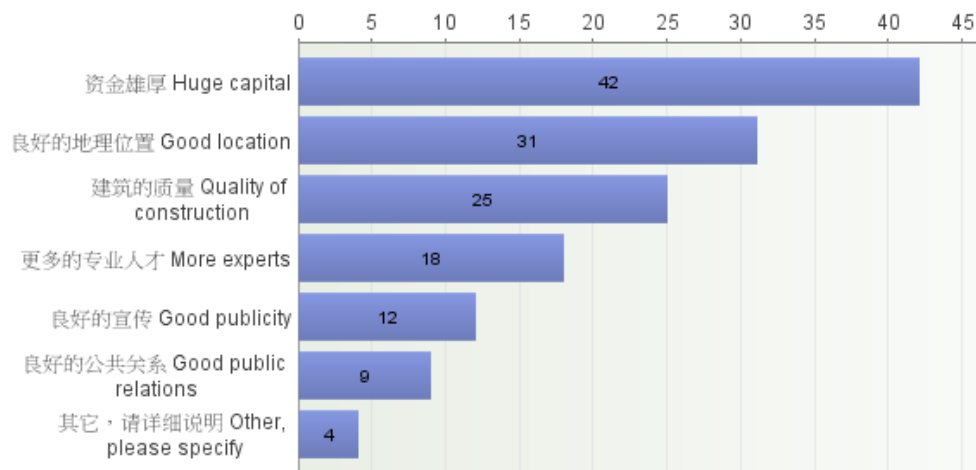


FIGURE 11. The advantages of the strongest competitor (n=53)

The 79 % respondents think that the advantages of the strongest competitor are that they have huge capital, 58 % respondents think the good location is the advantage of strongest competitor and 47 % respondents think the high quality of construction is important. According to previous question, we know that the strongest competitor is Zhen Xing Group. It was established very early and have more time had to accumulate capital and at its establishment time, in 1995, Lu'an City required to a lot of construction, the value of construction added 0.8 billion RMB, the area which built by construction companies reach at 329800 square meters, it increased by 50.1 %. (Ah. Xinhuanet 2009) Because of this demand, Zhen Xing Group can choose a good loca-

tion. Other specify are: 1) The equipment of buildings is more consummate; 2) The service system is more integrated; 3) Have beautiful scenery.

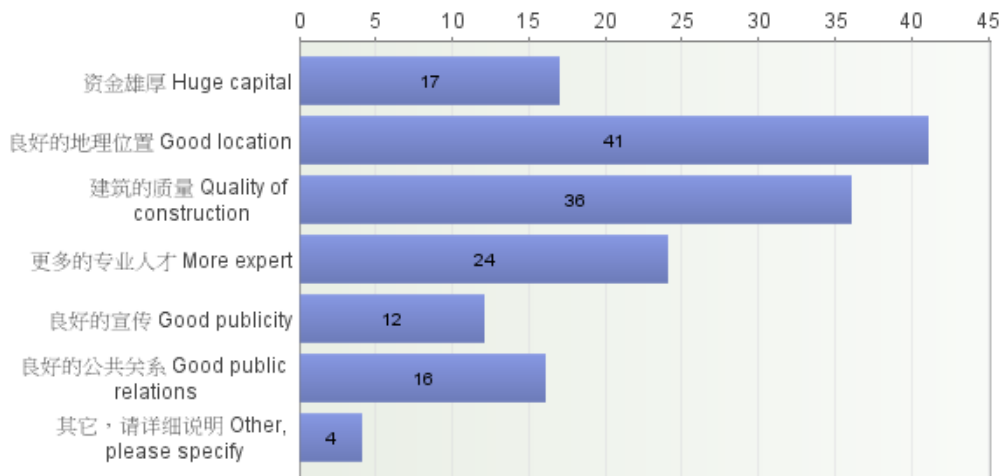


FIGURE 12. The advantages of Ming Zhu Company (n=53)

From Figure 12, we can see Ming Zhu Company's advantages are good location (response rate is 77 %) and high quality of construction (response rate is 68 %). Some respondents' mentioned other advantages like: 1) It is a commercial real estate; 2) Ming Zhu is famous; 3) Has a good brand image.

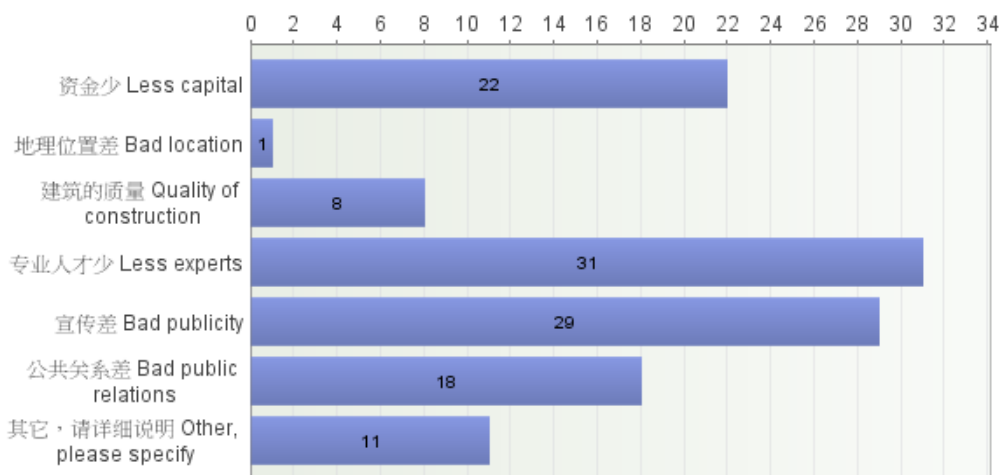


FIGURE 13. The disadvantages of Ming Zhu Company (n=53)

From Figure 13, the disadvantages of Ming Zhu Company are fewer experts (response rate is 58 %), bad public relations (response rate is 55 %) and less capital (response rate is 42 %). The other points are: 1) management is not very good; 2) teamwork is not enough; 3) the area of uptown is smaller than competitor's.

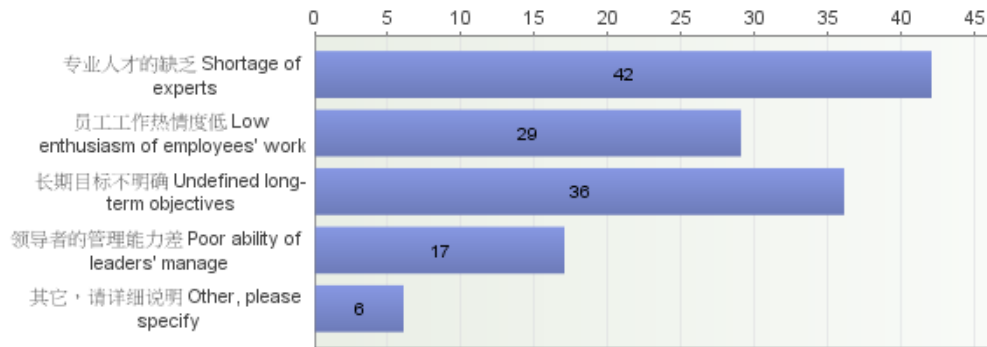


FIGURE 14. The constraints of Ming Zhu Company's development (n=53)

In Figure 14, the reasons which will restrict the development of Ming Zhu Company are shortage of experts, undefined long-term objective and low enthusiasm of employees' work. The response rates are 79 %, 68 % and 55 %. "More experts" is one advantages of Ming Zhu Company, but it will become a constraint of Ming Zhu Company's development, it means that experts are in an important role and it is easy to flow away. Other reasons mentioned by respondents are: 1) there is less adverting to introduce the products of Ming Zhu Company. 2) force majeure—the market of real estate is surplus.

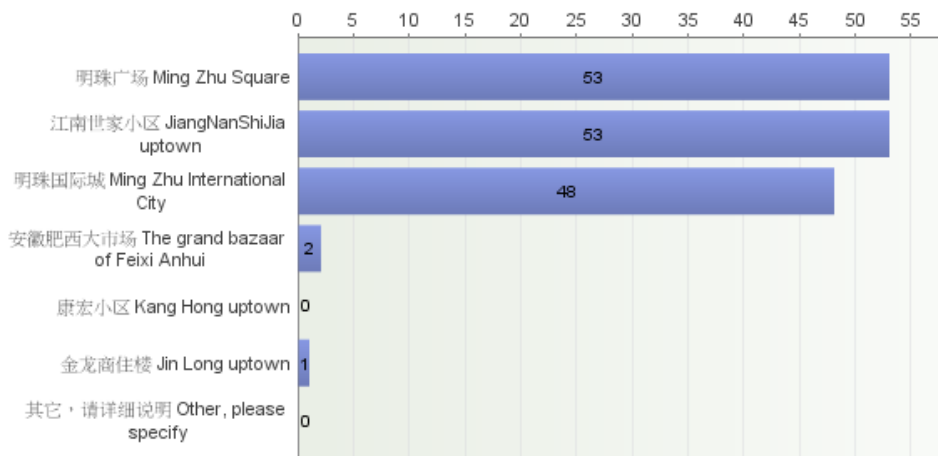


FIGURE 15. The most popular products in Ming Zhu Company (n=53)

It is a multiple choice; all respondents can select 3 most important issues. From Figure 15, it shows that all 53 respondents choose Ming Zhu Square and JiangNanShiJia uptown as the most popular products of Ming Zhu Company. Ming Zhu International City has 48 votes; it is also a most popular product in Ming Zhu.

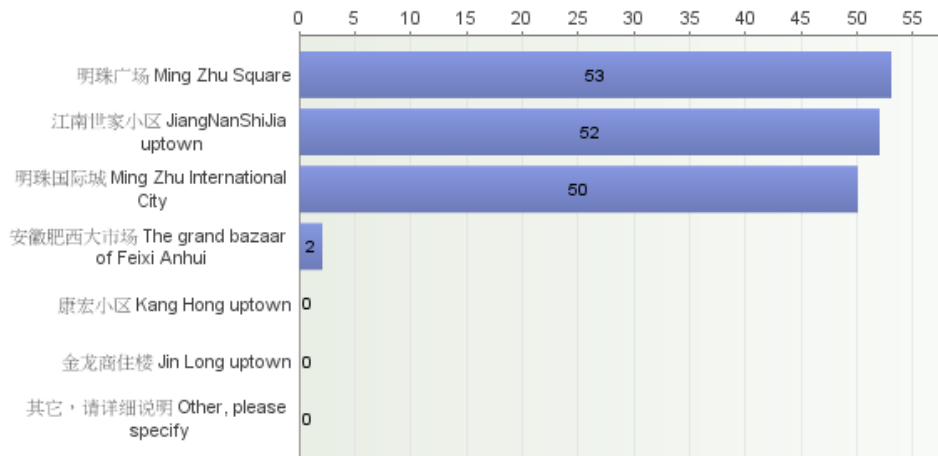


FIGURE 16. The products which can earn the highest turnover in Ming Zhu (n=53)

It is also a multiple choice. From Figure 16, it shows that all 53 respondents choose Ming Zhu Square, 52 respondents choose JiangNanShiJia uptown and Ming Zhu International City has 50 votes. They thought that these three products can earn the highest turnover in Ming Zhu.

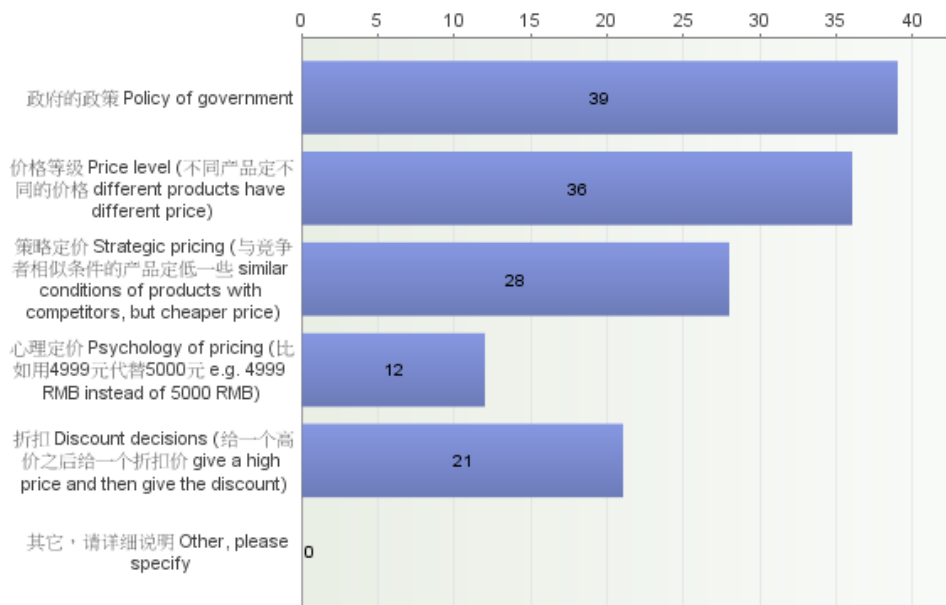


FIGURE 17. The pricing of products in Ming Zhu Company (n=53)

The pricing methods are different kinds, in Ming Zhu Company, the main methods are: 1) According to policy of government (response rate is 74 %); 2) Price level (response rate is 68 %), it means different products have different price. For example, a house which is 80 square meters will be cheaper than 90 square meters; a house which is far away from the centre of city will be cheaper than a house which is located near the centre of city; 3) Strategic pricing (response rate is 53 %), it means that

comparing the similar conditions of products with competitors and pricing a cheaper and suitable price which will not damage the profits of company.

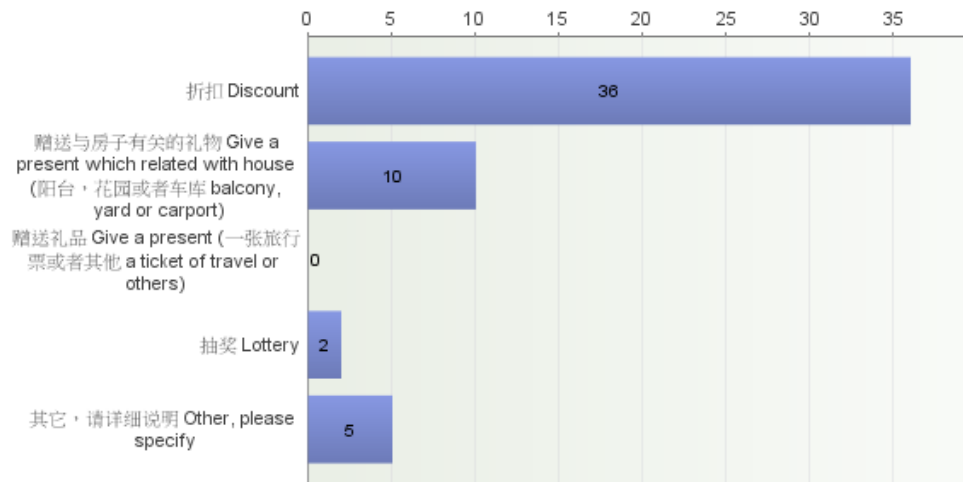


FIGURE 18. The best way of promotion in Ming Zhu Company (n=53)

Figure 18 shows that most respondents think discount is the best way of promotion to lead to best sales, and it also is a simple and convenient way. Other issues that were mentioned are 1) The quality is the first; 2) Old customers introduce products to new customers.

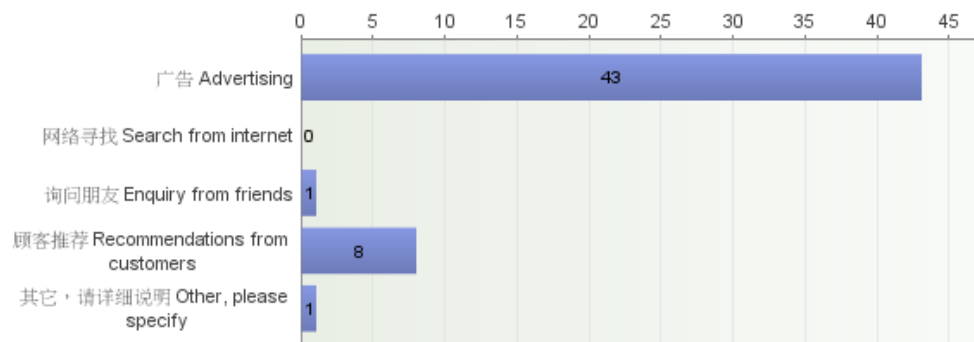


FIGURE 19. The main method to find the customers for Ming Zhu Company (n=53)

In Figure 19 the methods to find customers are: 1) The main method to find the customers according to the 81 % respondents is advertising for Ming Zhu Company; it is quick and it is easy to find the target groups. 2) The second method is recommendations from customers, it has 8 votes. Because a good public praise is very important and it is easy to develop the new customer, Ming Zhu Company also can use this method to find the customers. Other option suggested the company should enter the market to search customers.

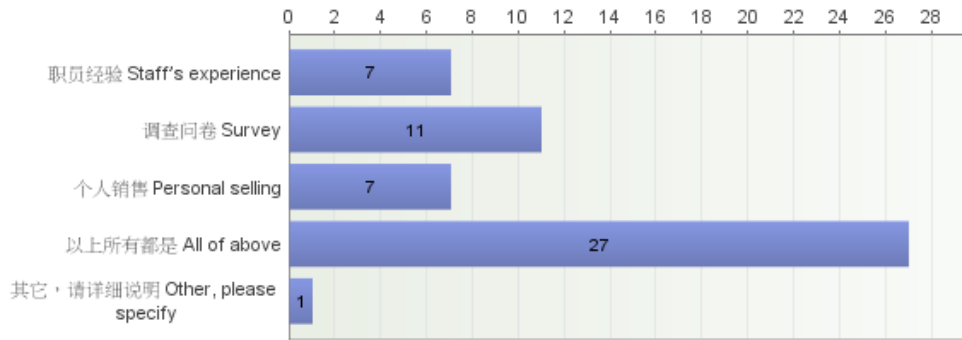


FIGURE 20. The best method to find the customer needs in Ming Zhu Company (n=53)

Respondents think as shown in Figure 20 that the best method to find out the customer needs is to use staff's experience, survey and personal selling, the response rate of choosing all of these views are 51 %. In these three options, most respondents choose the "survey", response rate is 44 %. One respondent specified that company should enhance the power of publicity.

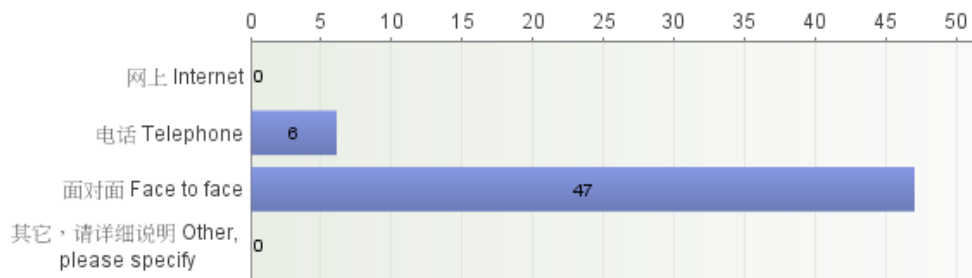


FIGURE 21. The main means for Ming Zhu Company to market the houses (n=53)

Figure 21 shows that "face to face" is the most important thing in the process of marketing houses, it has 89 % response rate. It is easy to communicate with customers and understand what they need.

Open questions

There are 3 open questions. The first question asked that ideas to improve the products of Ming Zhu Company. The number of respondents in this question was 39 in total, and the responses can be summarized as following: 1) Increasing publicity; 2) Improving the quality of houses; 3) Innovation is important; 4) Increasing the green coverage inside of uptown; 5) Improving the level of service; 6) Strengthening management; 7) Designing more survey to know the real needs of customers.

The second question was asked about proposals for the next area. 39 respondents answered this open question in the survey, most of them thought the next objective is South and East of Lu'an City, some of them pointed the next objective is Hefei.

The third question was asked about open comments to Ming Zhu Company. There were 39 respondents to give the suggestions to Ming Zhu Company and the results can be summarized as following: 1) Formulating the future goals; 2) Recruiting more experts; 3) Giving more chances to young people; 4) Strengthening management; 5) Improving the quality of products and services; 6) Paying attention to teamwork.

Summary of the survey results

In summary, the most employees have deep love for working in Ming Zhu Company because the response rate of this survey is 67 % in average. Though this survey, we can know that Ming Zhu Company is famous in Lu'an City, it has good welfare and it has flexible requirement of work. The main advantages of Ming Zhu Real Estate Development Co. Ltd are good location and high quality of construction. The main disadvantages of Ming Zhu Real Estate Development Co. Ltd are fewer experts, bad public relations and less capital. The most popular products are Ming Zhu Square, JiangNanShiJia uptown and Ming Zhu International City, and they also can earn the highest turnover in Ming Zhu. The products of Ming Zhu Company will be pricing according to the policy of government, price level and strategy pricing. Ming Zhu Company knows that they must choose a good location to build the constructions. The best way of promotion in Ming Zhu Company is discount. Advertising is the best method to find the customers for Ming Zhu Company and the best effective method of market the house is face to face.

5.2 Results from the interviews

Questions for the leader of Ming Zhu Company

1. What is the next objective of Ming Zhu Company?
 - South and East of Lu'an City
2. What is the short-term plan and long-term plan of Ming Zhu Company?

- The turnover will reach at 0.1 billion RMB in 2020.
3. What do you think the biggest challenge of Ming Zhu Company is?
- The focus will move to Hefei (provincial capital)
4. What requirements do customers have for houses in Lu'an City?
- Convenient transportation and the constructions should have comprehensive functions
5. Which are the main customer groups that have demand for houses?
- The customers who ready to get married and the aged
6. Has Real Estate industry changed in recent years?
- Nowadays, the core is increase supply, Real Estate industry will be supported by government.
7. What competitions does Ming Zhu Company face with?
- The similar types of constructions are built by other companies; Ming Zhu Company should continue to innovate.
8. What possible actions do you think competitors have?
- It will appear more competitors.
9. Some institutional issues will restrict the development of Real Estate, for example, law, policy of government, culture and technical development, how they affect the development of Ming Zhu Company?
- All institutional issues will restrict the development of Ming Zhu Company, the law is a prerequisite for all activities, the greatest impact is policy of government; it likes a compass to guide our activities. Culture influences our architectural style and technical development is a core for Ming Zhu but it is not very mature.

Questions for the leader of Zhen Xing Group (The strongest competitor)

1. What is the next objective of your company?

- After two years that is in 2015, we will increase our sub company, it will become thirty sub companies in Hefei.
2. What is the short-term plan and long-term plan of your company?
 - Our short-term plan is achieve an objective which is annual sales volume reach at 6 billion RMB and comprehensive tax reach at 0.3 billion RMB.
 - Our long-term plan is that we plan to go public in 2020.
 3. What do you think the biggest challenge of your company is?
 - The preparations before Zhen Xing Group go public
 4. What requirements do customers have for houses in Lu'an City?
 - Near school, more convenience
 - Good environment
 5. Which are the main customer groups that have demand for houses?
 - The main customer groups are 25-35 years old customers and 45-55 years old customers.
 6. Has Real Estate industry changed in recent years?
 - The main factor affecting the real estate is the policy of government. The policy in this year is good for Real Estate Company because it has less limited regulation. Zhen Xing Group will continue to develop step by plan.
 7. What competitions does Zhen Xing Group face with?
 - With the reduction in restrictions, more real estate companies will be built.
 8. What possible actions do you think competitors have?
 - Take lower price measures in order to earn customer

Summary of the interview results

These questions were to interview Ming Zhu Real Estate Development Co. Ltd and Zhen Xing Group. The questions were asked about the next objective, short-term plan, long-term plan, the biggest challenge, the customers' requirement for houses, main customer groups, the change of Real Estate Industry, competitions and the possible actions of competitors. For Ming Zhu Company, the added question asked about how the institutional issues affect the development of Ming Zhu Company. Two leaders of two companies gave

their answers. The same view is that they all point out government policy is relaxation in recent years, it will push the development of Real Estate Industry, of course, it will make more competitors appear.

5.3 SWOT analysis of Ming Zhu Company



FIGURE 22. SWOT analysis of Ming Zhu Company

The Figure 22 gives SWOT key points of Ming Zhu Company. This SWOT analysis is a comprehensive evaluation of Ming Zhu Company's strengths, weaknesses, opportunities and threats, we can easily figure out information and problems for them.

Strengths

Firstly, one of strength is "Ming Zhu Company is famous", from the survey, 58 % of respondents came and worked in Ming Zhu Company because of its good image. Ming Zhu Company was established in 2002, they made many projects in these years, from the establishment of "The grand bazaar of Feixi Anhui", "Kang Hong uptown", "Jin Long uptown" and "Ming Zhu Square" to the establishment of "Ming Zhu Square", "JiangNanShiJia uptown" and "Ming Zhu International City", Ming Zhu Company always promise the high quality of buildings and they really did. It has a good

image and people trust Ming Zhu. Because this strength, company can easily attract not only customers but also employees.

Secondly, the projects of Ming Zhu Company have a good location. Although Ming Zhu Company was built not too early, they still fight for a good location. The location means their projects' location and office buildings' location. The projects usually located close to the center of city, near shopping area, near entertainment area or near a place which has beautiful scenery, their office buildings is rented near the project in normal situation. It has good environment and transportation.

The last strength is high quality of construction, it is a basic and corn factor for real estate industry. It should credit the choice of engineering department, including building materials and design institute, of course, it cannot do without supervise and manage of supervisions department.

Weaknesses

First, Ming Zhu Company has fewer experts, it is a trouble problem. Why the experts will leave? The reasons are: 1) Not very good work environment. The work environment means whether the internal responsibilities of company are clear, whether the work process is effective, whether the treatment is fair, whether the work objectives are clear and so on. 2) Not very good wages and welfare. The high wages is the most effective incentives, if experts feel that their work and their rewards are imbalance, they will leave. 3) Not very clear prospects. If the company has no clear prospects, experts will feel that they will lose their job. 4) Unfriendly leader. A friendly leader always makes experts happy and prefers to stay in the company, vice versa. (Chinaacc 2010) The experts are important for company; they like the building materials for construction, no building materials no construction, building materials well or not decide the quality of construction. So Ming Zhu Company should continue developing and attract more experts.

Second weakness is bad publicity. So called publicity is a product, service or idea which transmits through media to public. (Marketing. about 2014) The most traditional way is advertising for Real Estate Company. Ming Zhu Company should realize that a good publicity will help them to get a better development.

Finally, Ming Zhu Company lacks ability of management and teamwork, so every manager should know their responsibilities and excite the enthusiasm of employees.

A good manager should be good at discovering the advantages of employees and give reward to them, and they also should adjust the relationship of each employee which works in the same group, leading them to do a good teamwork.

Opportunities

From the objective of Zhen Xing Group, one opportunity is that Ming Zhu Company has more development choice in Lu'an City, because the core development of Zhen Xing Group which is the strongest competitor is Hefei. That is there is more market for Ming Zhu Company in Lu'an City.

Second opportunity is a relaxed government policy, real estate is no longer unified management by Chinese government; it can be managed by the local government. The past policy was limiting supply and also limiting demand, but now the core is increasing supply in 2014. (Blog.Sina 2014) According to these policy supports, Ming Zhu Company can develop quickly in recent years.

The last opportunity is increase in demand, more and more people need houses and because of the new policy, one person can purchase more than one house already.

Threats

Because of the new policy and the real estate industry has gradually become a pillar industry of government, more and more real estate companies will develop and they will become the competitors of Ming Zhu Company.

The technical development is not complete, many small areas cannot be mechanized; it will lead to low efficiency. Another threat is there are many similar types of constructions were built, Ming Zhu is not the only choice for customers. So today, the most important thing is research new technology and continuous innovation.

6 SUCCESS KEYS AND CONCLUSIONS

This research was aiming at understanding that how the Ming Zhu Company meets with success and giving some suggestions to Ming Zhu Company in order to improving its management.

On 25th of September 2002, Ming Zhu Company became a real estate company. The company set 8 main departments: shareholder, supervisions, engineering, investment, customer service, financial, sales and property management. In growing stage, the first project of company is the grand bazaar of Feixi Anhui, the second is Kang Hong uptown, the third one is Jin Long uptown and the next is Ming Zhu Square, they were built one by one. Ming Zhu Square was built in 2005, it is the largest square and it becomes one of the most influential architecture in Lu'an. With economic development and customers' demand growth, more and more buildings are needed, at that time, Ming Zhu Company entered expansive stage, JiangNanShiJia uptown and Ming Zhu International City were built almost at the same time.

There are three competitors of Real Estate in Lu'an: Zhen Xing Group, HuaDuYuan Co. Ltd. and Heng Ke Real Estate Company. Among them, Zhen Xing Group is the strongest competitor; the main advantages are that they have huge capital, high quality construction and more experts.

Through the analysis of all information, we can conclude the success keys. First of all, the basic key is a company must have a capable leader, the leader holds the company's direction; so a decision of leader is crucial. The chairman of Ming Zhu Company – Huang Jinsong is a high class engineer who ever been the manager of Anhui Hefei Hong Kang real estate development Co. Ltd., so that he has rich experience of how run a real estate development company and he knew how to lead a group, especially there are all professionals. The real estate development needs quite professional knowledge and the related economic knowledge. Because of the real estate development is a very systematic business, it always requires special thoughts about it, such as the foresight and a correct evaluation of whether the investment project is profitable or not, as normal people who have no professional knowledge about real estate development, we usually make the wrong decision lead to the loss. In terms of the Ming Zhu Company's staff, they are all professional and skilled people. All of them have the diploma at less of the Bachelor's degree. Most of them are the professional engineers.

All things are difficult at the beginning. Real estate development is impossible to be started without finance background. It is really a very costly project. Firstly, the necessary capitals which are used to buy the land, and then is the cost of building materials, the salary of the staff, the cost of sale process and so on. The success of real estate development is not only one person's hard working, but also a group's contribution and cooperation. If a real estate development company want to be successful at its field, a group of staff is especially necessary, for example the accountant, building workers, salesmen, managers, building materials delivers and some other people. Customers are god; because of customers are the resources of profits, in terms of real estate development, when they have enough friends sources, the customers will not be in lacking.

In China, the land belongs to the government; the normal people just have the usage right of land. Nowadays the real estate development has become more and more important to the government income, so when a person wants to do the real estate development, he or she must buy the usage right from government. Before selling the land to one person, government would like to investigate the person's plan about how to develop this land, when the plan get the government's identity and permit, the person just have the right to buy this land to get the usage right. By the way, the price of this certain land is not just one thousand or two thousand, it is always out of our imagination. So this part also explains why the finance factor is necessary. During the process of land developed, government will sent the people to supervise the building built, there are some rules require the boss of Real Estate Development Company to obey. Such as the materials quality must be stable enough, when one case finished, government will send quality inspector to judge whether this case pass the detection or not, if this case does not pass the detection, this company will be faced with a huge loss. Ming Zhu Real Estate Development Co. Ltd. shows their professional skills and the high quality of the productions to make every people satisfied with their work, it is not only to make sure their profit, but also to give the premise to the sustainable success. Every case were finished by Ming Zhu Company can gain profit; it gives the government confident to believe the development of Ming Zhu Company.

The real estate development needs much attention and patience. All employees related with the project will be very busy and tired every day. In order to finishing one case, they must spend half year or more time, so the insistent spirit and belief are necessary, every Ming Zhu staffs believe that they will make a big success, they pay their all attention and energy to make sure every step in a deal achievement and tak-

en this for granted. Ming Zhu's manager system is impeccable, it makes a preferably cooperation during the staff.

In summary, the basic key of success is a capable leader, second, every link of business in Real Estate Company is very important, so each department needs to cooperate very well—it is one of keys to success. Then, every employee of departments should be honest and trustworthy to customers; the attitude of customers will change from ignorant to enthusiastic because of staffs' positive attitude. All employees should build a good brand image and good company image.

The suggestion is Ming Zhu Real Estate Development Co. Ltd. should subjoin an information technology (IT) department. Firstly, they need enrich the contents of official website, with the information age is coming, people will surf the internet and get more information from internet, people can know more about Ming Zhu Company from a detailed information in official website. Meanwhile, IT department can open a channel which introduces buildings' details and payment to customers, if customers want to purchase the house, they can book it through this channel or pay it. The second one is that IT department should manage all electronic materials of Ming Zhu Company, including the use records of these materials; it is convenient to check in future and prevent every staffs from doing something that damage the profits of company.

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APPENDICES

Appendix 1

QUESTIONNAIRE FOR EMPLOYEES OF MING ZHU COMPANY (in English)

Dear all

I am a Bachelor of Business and Administration student at Savonia University of Applied Sciences, Finland. I am making a research on business analysis of Ming Zhu Company as my thesis research. This questionnaire asks about **the situation of Ming Zhu Company and its competitors**. The survey is only for employees of Ming Zhu Company.

There are **16 option questions and 3 open questions**. Answering to the questions will be very fast. It only takes you about 10 minutes. The survey information is confidential and will not be published in details. It will only be used for this research and thesis report purpose.

Thank you for your help, let's start!

Best Regards

Lu Huilin

Student, JD12S1

1. Which department are you working in?
 - Supervisions
 - Engineering
 - Investment
 - Customer service
 - Financial
 - Sales
 - Property management

2. How long have you been working in Ming Zhu Company?
 - Less than 1 year
 - 1-2 years
 - 3-4 years
 - 5 years or more

3. What characteristics of the company attracted you most to come and work in Ming Zhu Company? (Multiple choice, please select 3 most important issues)

- Ming Zhu Company is famous
- High wages
- Good welfare
- Have chance to increase salary
- Many holidays
- Convenient transportation
- Flexible requirement of work

4. How much do you like your work?

- 4 (Very much)
- 3 (Quite much)
- 2 (Not very much)
- 1 (Not at all)

5. Which company is the strongest competitor for Ming Zhu Company?

- Zhen Xing Group
- HuaDuYuan Co. Ltd.
- Heng Ke Real Estate Company
- Xin Cheng Real Estate Company
- Jin Gang Real Estate Company
- Other, please specify _____

6. What are the advantages of the strongest competitor?
(Multiple choice, please select 3 most important issues)

- Huge capital
- Good location
- Quality of construction
- More experts
- Good publicity
- Good public relations
- Other, please specify _____

7. What are the advantages of Ming Zhu Company?
(Multiple choice, please select 3 most important issues)

- Huge capital
- Good location
- Quality of construction
- More experts
- Good publicity
- Good public relations
- Other, please specify _____

8. What are the disadvantages of Ming Zhu Company?
(Multiple choice, please select 3 most important issues)

- Less capital
- Bad location
- Quality of construction
- Less experts
- Bad publicity
- Bad public relations
- Other, please specify _____

9. Which reason will restrict the development of Ming Zhu Company?
(Multiple choice, please select 3 most important issues)
- Shortage of experts
 - Low enthusiasm of employees' work
 - Undefined long-term objectives
 - Poor ability of leaders' manage
 - Other, please specify _____
10. Which three products of Ming Zhu Company are the most popular?
(Multiple choice, please select 3 most important issues)
- Ming Zhu Square
 - JiangNanShiJia uptown
 - Ming Zhu International City
 - The grand bazaar of Feixi Anhui
 - Kang Hong uptown
 - Jin Long uptown
 - Other, please specify _____
11. Which three products of Ming Zhu Company earn the highest turnover?
(Multiple choice, please select 3 most important issues)
- Ming Zhu Square
 - JiangNanShiJia uptown
 - Ming Zhu International City
 - The grand bazaar of Feixi Anhui
 - Kang Hong uptown
 - Jin Long uptown
 - Other, please specify _____
12. The pricing of products in Ming Zhu Company is according to
(Multiple choice, please select 3 most important issues)
- Policy of government
 - Price level (different products have different price)
 - Strategic pricing (similar conditions of products with competitors, but cheaper price)
 - Psychology of pricing (e.g. 4999 RMB instead of 5000 RMB)
 - Discount decisions (give a high price and then give the discount)
 - Other, please specify _____
13. Which way of promotion has the best sales?
- Discount
 - Give a present which related with house (balcony, yard or carport)
 - Give a present (a ticket of travel or others)
 - Lottery
 - Other, please specify _____
14. What is the main method to find the customers for Ming Zhu Company?
- Advertising
 - Search from internet
 - Enquiry from friends
 - Recommendations from customers
 - Other, please specify _____

15. What is the best method to find the customer needs?

- Staff's experience
- Survey
- Personal selling
- All of above
- Other, please specify _____

16. What is the main means for Ming Zhu Company to market the houses?

- Internet
- Telephone
- Face to face
- Other, please specify _____

17. How to improve the products of Ming Zhu Company?

18. Which area will become the next objective?

19. Say what you always wanted to say to the Ming Zhu Company (Suggestions).

QUESTIONNAIRE FOR EMPLOYEES OF MING ZHU COMPANY (in Chinese)

大家好

我是一名就读于芬兰塞文尼亚应用科技大学国际商务专业的学生。我正在做一份关于明珠公司商业分析的调查，这份问卷主要询问明珠公司及其竞争者的情况。调查只面向明珠公司的内部员工。

问卷一共有 **16 个选择题和 3 个问答题**。回答这些问题会很快，仅仅只耽误您 10 分钟的时间。本次调查的信息是保密的，绝不会公开其细节，它只会被用于此次调查和论文报告中。

感谢你的帮助，我们开始吧！

最好的问候

卢汇林

学生, JD12S1

1. 你在哪个部门工作？

- 监事会
- 工程部
- 招商部
- 客户服务部
- 财务部
- 销售部
- 物业管理

2. 你在明珠公司工作了多长时间？

- 小于一年
- 一至两年
- 三至四年
- 五年或五年以上

3. 明珠公司的什么特点吸引你来这里工作？

(多选题, 请选出三个你认为最重要的选项)

- 知名度高
- 工资高
- 福利好
- 有加薪机会
- 假期多
- 交通方便
- 灵活的工作要求

4. 你喜欢你的工作吗？

- 4 (非常喜欢)
- 3 (很喜欢)
- 2 (不是很喜欢)
- 1 (一点也不喜欢)

5. 对于明珠公司来说最强的竞争对手是谁？

- 振兴集团
- 华都苑有限公司
- 恒科房地产公司
- 新城房地产公司
- 金刚房地产公司
- 其它, 请详细说明 _____

6. 最强竞争对手有哪些优点？

(多选题, 请选出三个你认为最重要的选项)

- 资金雄厚

- 良好的地理位置
- 建筑的质量
- 更多的专业人才
- 良好的宣传
- 良好的公共关系
- 其它，请详细说明 _____

7. 明珠公司有哪些优点？
(多选题，请选出三个你认为最重要的选项)

- 资金雄厚
- 良好的地理位置
- 建筑的质量
- 更多的专业人才
- 良好的宣传
- 良好的公共关系
- 其它，请详细说明 _____

8. 明珠公司有哪些缺点？
(多选题，请选出三个你认为最重要的选项)

- 资金少
- 地理位置差
- 建筑的质量
- 专业人才少
- 宣传差
- 公共关系差
- 其它，请详细说明 _____

9. 哪些因素会限制明珠公司的发展？
(多选题，请选出三个你认为最重要的选项)

- 专业人才的缺乏
- 员工工作热情度低
- 长期目标不明确
- 领导者的管理能力差
- 其它，请详细说明 _____

10. 明珠公司的哪三种产品最受欢迎？

(多选题，请选出三个你认为最重要的选项)

- 明珠广场
- 江南世家小区
- 明珠国际城
- 安徽肥西大市场
- 康宏小区
- 金龙商住楼
- 其它，请详细说明 _____

11. 明珠公司哪三种产品赚取的营业额最多？

(多选题，请选出三个你认为最重要的选项)

- 明珠广场
- 江南世家小区
- 明珠国际城
- 安徽肥西大市场
- 康宏小区
- 金龙商住楼
- 其它，请详细说明 _____

12. 明珠公司对产品的定价依据：

(多选题，请选出三个你认为最重要的选项)

- 政府的政策
- 价格等级 (不同产品定不同的价格)
- 策略定价 (与竞争者相似条件的产品定低一些)
- 心理定价 (比如用 4999 元代替 5000 元)
- 折扣 (给一个高价之后给一个折扣价)
- 其它，请详细说明 _____

13. 哪一种促销方式销量最好？

- 折扣
- 赠送与房子有关的礼物 (阳台，花园或者车库)
- 赠送礼品 (一张旅行票或者其他)
- 抽奖
- 其它，请详细说明 _____

14. 明珠公司寻找客户最主要的方式是什么？

- 广告
- 网络寻找
- 询问朋友
- 顾客推荐
- 其它，请详细说明 _____

15. 寻找客户需求的最好方法是什么？

- 职员经验
- 调查问卷
- 个人销售
- 以上所有都是
- 其它，请详细说明 _____

16. 明珠公司销售房子的主要方式是什么？

- 网上
- 电话
- 面对面
- 其它，请详细说明 _____

17. 怎样改进明珠公司的产品？

18. 哪些区域会成为下一个目标？

19. 说说你一直想对明珠公司说的话（建议）

INTERVIEW QUESTIONS FOR THE LEADERS OF MING ZHU AND ZHEN XING

Hello

I am a Bachelor of Business and Administration student at Savonia University of Applied Sciences, Finland.

The topic of the thesis is to make a business analysis of Ming Zhu Real Estate Development Co. Ltd. and these interview questions are an important part for my thesis.

The information is confidential and will not be published in details. It will only be used for this research and thesis report purpose.

Thank you for your help!

Best Regards

Lu Huilin

Student, JD12S1

Questions for the leader of Ming Zhu Company

1. What is the next objective of Ming Zhu Company?
2. What is the short-term plan and long-term plan of Ming Zhu Company?
3. What do you think the biggest challenge of Ming Zhu Company is?
4. What requirements do customers have for houses in Lu'an City?
5. Which are the main customer groups that have demand for houses?
6. Has Real Estate industry changed in recent years?
 - a. If it has, how to adjust strategies in order to dealing with these changes for Ming Zhu Company?
 - b. If it hasn't, how will the development continue?
7. What competitions does Ming Zhu Company face with?
8. What possible actions do you think competitors have?
9. Some institutional issues will restrict the development of Real Estate, for example, law, policy of government, culture and technical development, how they affect the development of Ming Zhu Company?

Questions for the leader of Zhen Xing Group (The strongest competitor)

1. What is the next objective of your company?
2. What is the short-term plan and long-term plan of your company?
3. What do you think the biggest challenge of your company is?
4. What requirements do customers have for houses in Lu'an City?
5. Which are the main customer groups that have demand for houses?
6. Has Real Estate industry changed in recent years?
 - a. If it has, how to adjust strategies to deal with these changes for Zhen Xing Group?
 - b. If it hasn't, how will the development continue?
7. What competitions does Zhen Xing Group face with?
8. What possible actions do you think competitors have?