





Rise with the Dragon:

Top Tips for Entering the Chinese Cleaning and Hygiene Market in 2024

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Introduction

The Year of the Dragon brings promising winds of change, not just for Chinese tradition, but for the professional cleaning and hygiene industry. The Dragon symbolises auspiciousness, imperial power, nobleness, honour, luck, and success in Chinese culture.

China is fast becoming one of the major players in the global cleaning arena. With a growing awareness of health and sanitation, China presents a land of huge opportunity for international players. But conquering this exciting market requires more than just luck and good fortune. This report serves as your guide for helpful strategies to unlock the potential of China's hygiene landscape.

We'll dive into the cultural nuances, tackle regulatory hurdles, and unveil consumer preferences that hold the key to success. From understanding Chinese business culture to finding contacts, establishing local partnerships, leveraging your brand and winning over buyers, you'll discover a comprehensive toolkit to carve a strong presence in this expansive market.

Why China?

Not only is it the market with one of the greatest potentials for growth and development, but this country is also leading the way in rapid advances in the fields of innovation, technology and sustainability – exciting trends which are currently being reflected throughout the international cleaning fraternity.

In fact, it's predicted that China will become one of the most important markets for cleaning products, equipment, resources, and services in the coming years.¹ And you need to be part of this wave!

The professional cleaning and hygiene market in China is currently experiencing a period of dynamic growth and transformation, driven by several key factors:

- China's GDP continues to rise: leading to increased demand for professional cleaning services in various sectors, including commercial buildings, healthcare facilities, and hospitality establishments.
- Rising awareness of hygiene: growing public awareness of the importance of hygiene and sanitation is fuelling demand for more sophisticated cleaning solutions and technologies. This is particularly evident in the wake of the COVID-19 pandemic, which has spurred heightened focus on disinfection and disease prevention.



¹ https://www.databridgemarketresearch.com/reports/asia-pacific-commercial-cleaning-equipment-market

- Technological advancements: the adoption of innovative technologies like robotics, artificial intelligence, and automation is revolutionising the industry. These advancements offer improved efficiency, cost-effectiveness, and precision in cleaning processes.
- Focus on sustainability: growing environmental consciousness is prompting a shift towards eco-friendly cleaning products and practices.
 Companies are now seeking solutions that minimise environmental impact while maintaining high hygiene standards.

Here's a closer look at some specific aspects of the market:

Market Size: The professional cleaning and hygiene market in China was estimated to be worth over 200 billion yuan (approximately USD 31 billion) in 2023 and is projected to reach over 300 billion yuan by 2027².

Key Players: The market is dominated by domestic players who hold significant market share. However, international companies are also starting to make inroads, offering specialised solutions and technological expertise.

"China has become more than a relevant market for our industry – it is the market with one of the greatest growth potentials. From a global perspective, China is set to become one of the most The professional cleaning and hygiene market in China was estimated to be worth over 200 billion yuan (approximately USD 31 billion) in 2023.

important markets for cleaning products, equipment and solutions in the years ahead. Interclean Shanghai, taking place from 11-13 Dec 2024 in Shanghai is where visitors from across the globe will have the unique opportunity to discover the most recent trends in the dynamic world of professional cleaning and hygiene. You can look forward to inspiring presentations, workshops and events delivered by some of the industry's top companies. Join thousands of professionals at Interclean Shanghai 2024, China's only dedicated professional cleaning and hygiene trade show. It truly is the entire Chinese cleaning market under one roof," says Simon Ding (Managing director RAI China).





How can Interclean Shanghai help you?

Do you want to enter the vast Chinese market? We're here to help! As part of the global Interclean brand, Interclean Shanghai offers valuable resources for international suppliers:

- Targeted matchmaking: our extensive network connects you with qualified partners, both distributors and end-users, before you even travel to China. Get initial introductions and explore potential collaborations.
- Expert guidance: our team's deep knowledge of the cleaning industry in China provides invaluable insights and support. We can help you navigate regulations, understand market trends, and develop a winning strategy.

Interclean Shanghai provides the perfect platform to solidify partnerships and unlock business opportunities. Interclean Shanghai is the launchpad: while initial connections can be made, finalised agreements often happen face-to-face. Interclean Shanghai provides the perfect platform to solidify partnerships and unlock business opportunities.

Don't go it alone in China – leverage our extensive expertise and network to make your entry smooth and successful.

Cultural considerations: building respectful relationships

Patience is key when doing business in China.

Politeness and sincerity are highly valued in Chinese culture and they expect international suppliers and stakeholders to be considerate too. While Western business meetings jump straight to product and price, Chinese culture values respect and indirect communication.

Expect initial conversations to focus on building rapport through less formal topics like family or hobbies through dinners, drinks, and casual conversations before business is discussed. Be



patient with this process, as it lays the foundation for trust and successful negotiations. Preparing gifts for your first meeting is common courtesy in China, reciprocating their hospitality and paving the way for smoother future interactions.

Learn a few basic Mandarin words and phrases: "Ni hao" (hello) and "xiexie" (thank you) go a long way. Building rapport starts with simple greetings and showing cultural respect.

Smart strategies for a strong presence in the Chinese cleaning market

Forget the European cold calling sales approach in China. Emails after a trade show won't get you far. Language barriers and the importance of personal relationships demand a different strategy³. Here's what works:

 Hire a local representative. This person should network, build relationships, and handle communication with potential buyers.

³ 5 Key Chinese Market Entry Strategies in 2023 (nnroad.com)

- Invest in regular visits. Business dinner and drinks go a long way in China. Show your dedication and commitment.
- Find a trustworthy partner. They'll navigate the market, understand regulations, and bridge cultural gaps. A well-defined partnership with your local partner might even open doors to shared marketing and sales promotion efforts.

Interclean Shanghai is a great springboard but remember: it's all about networking and building up trustworthy relationships. Local representation and frequent visits show you value the market, leading to better results than sending emails after the show.

Establishing contacts

Forget post-show ghosting in China! After attending a trade show, spend 2-3 days visiting potential clients in person. Not only does this show respect and commitment, but you'll also gain valuable insights by seeing their operations firsthand.

Interclean Shanghai is a great springboard but remember: it's all about relationships. Keep your email language simple and avoid jargon to maximise communication.

And remember, Chinese buyers are known for their hospitality – they'll often treat you if they see value in your offerings.

- This personal touch is why setting up a local representative or office is crucial. While emails work for some English-speaking professionals, 70% of end buyers have basic English. Keep your email language simple and avoid jargon to maximise communication.
- Email is not enough: follow up show leads with personal visits to demonstrate your interest and commitment.
- Target the decision-makers: focus on reaching end-buyers and building connections with them directly.
- Key takeaway: In China, building connections and relationships is very important. Invest in faceto-face interactions and clear communication to unlock business opportunities.

Building local relationships and establishing partnerships

Forget quick deals in China, with unique selling points, it's mostly about connections and relationships! While product quality matters, building strong personal connections ("guanxi") is the key to unlocking business. This means more than just dinners and drinks – it's about showing respect, understanding needs, and establishing trust.

Here's the winning formula:

- Combine local expertise with international initiative. Your local representative builds relationships and navigates cultural nuances, while you drive initial engagement.
- Invest in pre-deal interactions. Before closing a deal, spend time getting to know your clients.
 Three or four meetings aren't unusual – it's about building trust and showcasing commitment.
- Local representation is crucial: hire a local representative or establish a part-time office to handle communication, build relationships, and navigate regulations.
- Partnerships are your allies: find trustworthy partners to leverage their market knowledge, distribution networks, and marketing expertise.
- Regular visits demonstrate commitment: frequent visits showcase your dedication to the Chinese market and strengthen relationships with potential clients.

Remember, in China, relationships are the foundation for success. Invest in building them carefully, and you'll reap the rewards for years to come.



Navigating Chinese governmental guidelines

While Chinese government agencies primarily involve customs clearance, specific requirements can be tricky. Forget detailed US-style instructions – expect broad guidelines in China, leaving room for interpretation. Here's how to avoid red tape:

- Partner up: consult your local representative for precise documentation needs. Their local expertise ensures a smooth customs clearance process, aids communication and saves time.
- Don't assume: don't rely solely on your understanding of the limited guidelines. Doublecheck everything with your partner to avoid delays and frustrations.
- Respect is key: showing respect to officials goes a long way in facilitating interactions and achieving efficient clearance.
- Develop a good understanding of the Chinese government's policies and regulations related to the cleaning and hygiene industry. Establish positive relationships with relevant government agencies to stay updated on industry developments and ensure compliance.

Remember, thorough preparation and local guidance are essential for navigating the world of Chinese government agencies in the cleaning industry.

Chinese consumers have unique preferences and expectations when it comes to cleaning and hygiene products.

Conquering Chinese customer preferences

While it applies across industries, here are some key tactics for winning over Chinese buyers in the cleaning sector:

- Preferences: Chinese consumers have unique preferences and expectations when it comes to cleaning and hygiene products. Adapt your offerings to cater to these preferences, such as incorporating traditional Chinese ingredients or packaging designs that resonate with the local culture.
- Brand legacy is king: tell your brand story and highlight your company's achievements! Chinese respect heritage and have a love for storytelling. Emphasise a century-old brand or family history to generate interest. A unique story also helps local partners promote you in the market.
- Design matters: showcase innovative features like smart technology. This sparks conversation and piques potential buyers' curiosity.
- Offer an attractive USP: make sure your product is differentiated compared to existing options in China. This will attract more interest from potential partners and buyers.



Know your competition: research online and identify existing competitors, products and patent protections in China before you invest. Stay informed about the market landscape.

- Price based on research: know your competitor's prices. While cost-conscious end-users (e.g. building contractors or property management companies) are sensitive, a strong brand can overcome price challenges.
- Invite them home: impress potential buyers with a visit to your headquarters. This strengthens trust and allows your local partner to further market your brand in China.

Remember, Chinese buyers value history, innovation, and relationship building⁴. By focusing on these aspects, you can unlock exciting opportunities in the Chinese cleaning market.



Challenges to entering the Chinese cleaning market

Despite the strong growth potential, the market faces some challenges⁵, including:

- Fragmented landscape: the market is highly fragmented, with numerous small and medium-sized enterprises operating regionally. This makes it difficult for larger players to establish a national presence.
- Low barriers to entry: the relatively low barrier to entry can attract unqualified players and lead to uneven quality of service.
- Limited awareness of technology: some smaller companies may not be aware of or equipped to adopt the latest technologies.
- Unless you have a strong unique selling point, international investors should always keep in mind a future possibility of localising production or assembly in China, to cut the cost and enhance the competitiveness of the selling price. Price is comparatively one of the sensitive factors for the Chinese market.

Prepping for China: Essentials for International Suppliers

Before entering the Chinese market, ensure you're ready:

- Patent savvy: research online understand the patent registration process in China to protect your innovations.
- Know your competition: research online and identify existing competitors, products and

⁴ 5 Actionable Tips To Level Up Your China Market Entry Strategies (marketingtochina.com)

⁵ https://www.reportlinker.com/market-report/Cleaning-Services



patent protections in China before you invest. Stay informed about the market landscape.

- Market fit is key: don't assume global appeal translates. Consult with local experts to ensure your product aligns with Chinese needs and regulations.
- Certification checklist: contact the Rai China office for advice with regulations, essential certifications, tests, and licenses that your product needs before entering the market. We can connect you with reliable partners to help you acquire these requirements seamlessly.
- Tariff tip: don't be surprised by Chinese customs! Research online or consult your local contacts to understand potential tariffs (ranging from 6% to 25%). Factor these into your pricing strategy so you're never caught off guard during negotiations. Avoid the pitfall of quoting prices exclusive of tariffs, only to face unexpected

Changing consumer lifestyles and expectations are shaping the market which means consumer preferences are evolving. costs later. Be prepared - research and plan your pricing accordingly.

By taking these pre-emptive steps⁶ international suppliers can approach the Chinese market with confidence and avoid potential barriers to entry.

Insights into customer preferences

Changing consumer lifestyles and expectations are shaping the market which means consumer preferences are evolving. There is a growing demand for specialised cleaning services, such as carpet cleaning, window cleaning, and deep cleaning for specific environments⁷. Additionally, convenience and on-demand services are becoming increasingly popular.

For products like microfibre cloths, where production relies on manual labour, China's lower labour costs make competing on price alone extremely difficult. Unless you boast a strong historical brand or unique value proposition beyond cost, entering the Chinese market might not be the best strategy.

⁶ 20 Tips to Enter the Chinese Market - Marketing China (marketingtochina.com)

 $^{^{7}}$ Industrial-Cleaning-Chemicals-Global-Market-to-Reach-80-Billion-by-2030

Branding is very important no matter what kind of product you offer. If you're a company of a hundred years' old or have won awards from international associations or competitions, your brand will appeal to the Chinese market.

China's Future Cleaning Industry: Where Innovation Wins

Forget traditional cleaning tools – China's cleaning industry is embracing the future⁸.

Here's where international suppliers can capitalise:

- Robotics: high-tech solutions like robotic car washers and train cleaners hold immense potential.
- High-performance detergents: efficiency is key – focus on detergents that deliver superior cleaning with minimal impact.
- Cutting-edge equipment: target equipment manufacturers with innovative pumps and cleaning systems.
- Eco-friendly materials: sustainability matters offer new materials that clean effectively without chemical contamination.
- Augmented Reality (AR) integration: smart systems and AR-powered solutions are gamechangers in the cleaning sector.

By aligning your offerings with these trends, you can unlock exciting opportunities in the rapidly evolving Chinese cleaning market. Remember, China

Augmented Reality (AR) integration: smart systems and AR-powered solutions are game-changers in the cleaning sector.

prioritises innovation and efficiency – cater to these demands and you'll be well-positioned for success.

Sustainability in China's Cleaning Industry: A Slow Burn

While sustainability is a major focus for Interclean and European cleaning sectors, it's still simmering in China⁹. The industry understands the concept, but commercial priorities remain dominant. However, expect this to shift. Over the next few years, we anticipate growing emphasis on eco-friendly solutions driven by:

⁹ https://ecommercechinaagency.com/natural-cleaning-products-a-huge-demand-in-china/



⁸ How innovative is China? | World Economic Forum (weforum. org)

- Government initiatives: policy and regulations will likely push sustainability higher on the agenda.
- Rising consumer awareness: environmental consciousness is increasing among Chinese consumers, creating demand for green products.
- Global trends: as international markets prioritise sustainability, Chinese companies will adapt to remain competitive.

While not yet at the forefront, the seeds of change are sown. By offering sustainable solutions and partnering with environmentally conscious players, international suppliers can be pioneers in shaping a greener future for China's cleaning industry.

Key takeaways: your winning strategy to cracking the Chinese market

- Entering China? Patience is key.
- Commit for the long haul: plan for 2-3 years.
 Profits may come sooner, but expect learning curves and setbacks.
- Partner up wisely: your local partner is your lifeline. Find someone trustworthy and experienced in your industry.
- Leverage existing networks: platforms like Interclean Shanghai offer valuable networks and services for international suppliers. Utilise their expertise to navigate the market.
- Quality and safety standards: ensure your products meet the necessary quality and safety standards required in China. Obtain the relevant certifications and comply with local regulations to build trust and credibility among Chinese consumers.
- Online presence: establish a strong online presence through localised websites, social media platforms, and e-commerce channels.
 Chinese consumers heavily rely on online platforms for product research and purchasing decisions. Utilise digital marketing strategies to

Online presence: establish a strong online presence through localised websites, social media platforms, and e-commerce channels.

raise brand awareness and engage with potential customers.

- Localisation of marketing and communication:
 tailor your marketing and communication
 strategies to resonate with the Chinese audience.
 This includes translating marketing materials,
 utilising local influencers, and understanding the
 cultural nuances to effectively communicate the
 value of your products and services.
- After-sales support: provide excellent aftersales support to build customer loyalty and trust. Chinese consumers highly value customer service and are more likely to recommend a brand that offers reliable support and assistance.
- Remember, China requires dedication and the right partners. By investing in a long-term vision and choosing wisely, you can unlock significant opportunities in this dynamic market.

Discover China's full potential at Interclean Shanghai 2024!

We are proud to be a leader in harnessing China's extraordinary potential with Interclean Shanghai – Asia's premier international cleaning and hygiene trade show. Interclean Shanghai is set to return from 11-13 Dec 2024 in Shanghai.

Following the highly successful launch of the show in 2021, this year's event promises to be even bigger and better. Join top-level representatives from all the major international cleaning manufacturers, distributors, contractors, decision-makers, and innovators to discover why China is one of the world's most influential and exciting movers and shakers in the world of commercial cleaning and hygiene.

Interclean Shanghai unites the entire Chinese cleaning market under one roof, offering an amazing platform to gain valuable insights and build effective connections – to establish an exciting future in this dynamic sector. All segments from the professional cleaning and hygiene industry will be presented, including laundry, healthcare, zero waste solutions, machines, equipment, management and mobility solutions, robotics, Artificial Intelligence (AI), and more.

Visitors will also hear from top industry experts on how to manage and grow business in China and have the chance to attend workshops and demonstrations from global vendors looking to import their products and services for the ever-growing market.

We can't wait to welcome you to Interclean Shanghai!

FIND OUT MORE

Conclusion

Overall, the professional cleaning and hygiene market in China presents a promising opportunity for both domestic and international players¹⁰.

Entering the Chinese market in the professional cleaning and hygiene industry requires careful planning, adaptation, and understanding of the local market dynamics. By conducting thorough market research, building strong partnerships, adapting to local preferences, and leveraging digital platforms, businesses can position themselves for success in this lucrative market. Additionally, maintaining high-quality standards, providing excellent customer support, and staying abreast of regulatory changes will contribute to long-term growth and sustainability.

Embrace the auspicious energy of the year, channel the dragon's strength and wisdom, and prepare to achieve success in the Chinese cleaning and hygiene market!

¹⁰ China Market Entry Guide: An Introduction (export2asia. com)







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