

## REPORT ON THE MASTER THESIS

IEPS – International Economic and Political Studies, Faculty of Social Sciences, Charles University

<b>Title of the thesis:</b>	<b>Research on the Strategy of Chinese Automobile Enterprises Entering Overseas Markets</b>
<b>Author of the thesis:</b>	<b>Bai Xuanbin</b>
<b>Referee (incl. titles):</b>	<b>Mgr. Vladimír Strítěský</b>

**Comments of the referee on the thesis highlights and shortcomings (following the 5 numbered aspects of your assessment indicated below).**

### **1) Theoretical background:**

The author provides a sufficient number of theoretical sources, which are connected to the topic of entering overseas markets. Nonetheless, the theoretical background outlined by the author is shallow and incoherent. The theoretical part consists of listed concepts and theories, which cover similar topics, yet are not sufficiently connected to create one coherent and complex theoretical background.

### **2) Contribution:**

Academic motivation for the thesis is omitted, and the author does not sufficiently convey the added value produced by the thesis for academic nor business field. The resulting recommendation of the thesis represents a 5-step guideline for entering the overseas market. But the recommendation does not provide sufficiently robust guidance for any company to follow. In addition to that, three of the five steps are trivial (first, fourth, fifth). The empirical part is based solely on case studies of four automotive companies. Representativeness of the chosen sample (BAIC, SAIC, Toyota, Volkswagen) is not resolved. Data and information used in the empirical part are missing sources; therefore, their reliability is unverified. Possible bias caused by the omission of other automotive companies is not explored. Based on the facts above, the contributions of both theoretical and empirical part of the thesis are not sufficient to meet standards for master's thesis.

### **3) Methods:**

Hypotheses are not formulated within the thesis and therefore also not tested. Chapters 4 and 5, which represent the core of analysis, are based predominantly on data and information without any sources. Assuming the data and information are not made up, these two chapters are missing referencing and citing, undermining its reliability.

Author's method relies on presenting four short case studies of automobile companies but does not apply any evaluation framework to identify successful and unsuccessful elements of their strategies. The author does not explain how he arrived at the strategy recommendation and what methods and tools were used to arrive at those recommendations.

### **4) Literature:**

There are major issues with the author's disposing of with the literature. There are unacceptable inconsistencies between referred literature in the body and the reference list.

Sources referred in the body, but not included in the reference list:

1. Page 5: Qu Jie, 2013
2. Page 6: Andrews, 1982
3. Page 7: Porter, 1985
4. Page 8: Zhang Wenguang, 2011
5. Page 9: Zheng Weijun, 2009
6. Page 27: Caregheer, 2008
7. Page 32: Bartett, 2009

Sources presented in the reference list, but not referred in the body:

- 1) Hymer, S. (1960). The International Operations of National Firms: A Study of Direct Investment.
- 2) Joseph L. Bower, et al. (1982). Business Policy: Text and Cases.
- 3) Porter, M. E. (1998). Competitive advantage: Creating and sustaining superior performance : with a new introduction. [SIC]
- 4) Caragher, Jean Marie (2008). Expand Your Horizons: Niche Marketing Success Stories.
- 5) Bartlett, C. and Beamish, P. (2009). Transnational management: Text, Cases and Readings in Cross-Border Management.
- 6) Alain Verbeke and Liema Kano. (2015). The New Internalization Theory and Multinational Enterprises from Emerging Economies: A Business History Perspective.
- 7) Dunning J.H. (1999). Trade, Location of Economic Activity and the Multinational Enterprise: A Search for an Eclectic Approach. The Internationalization of the Firm.
- 8) Robert G.Dyson. (2004). Strategic development and SWOT analysis at the University of Warwick. European Journal of Operational Research.
- 9) W.K. Holr. (2001). Competition and Innovation: A Dynamic Analysis of the US.
- 10) L.Smith. (2009), Valuation of Intellectual Property.
- 11) Kor, Y. (2003). Experience-Based Top Management Team Competence and Sustained Growth.
- 12) Bradley, Gannon. (2008). Modes of Foreign Entry: A Transaction Cost Analysis and Proposition.
- 13) Ying Wang. (2007). Research on China's Automobile Export Market.
- 14) Ruiping Yang. (2014). Research on the Internationalization Strategy of Chinese Private Automobile Enterprises.
- 15) Xianlong Huang, Liping Zhao. (2012). Analysis of China's Automobile Product Export Issues.
- 16) Hanqing Wei. (2017). Opportunities and Challenges that the One Belt One Road Strategy Brings to the Chinese Automotive Industry.

The literature review is composed of vaguely connected papers. Referred sources are frequently only briefly described and are not utilized anywhere in the thesis, therefore provide no added value for the thesis. E.g. a) Linkage-leverage-learning framework, b) Andrew's development of goals, c) Uppsala model of gradual incremental steps

## **5) Manuscript form:**

Manuscript form suffers from serious deficiencies. The thesis is missing following vital parts; master's thesis proposal, list of acronyms, list of tables, and list of figures.

The author uses inconsistent referencing style; the author uses AUTHOR(YEAR) predominantly in the first half of the thesis and switches to (AUTHOR, YEAR) in the second half. The author sometimes refers to authors by their first name (e.g. "(Brandon, 2018)").

Referencing to the graphs and tables is mediocre, and text is sometimes hard to follow due to overly long sentences. During several parts, the author resorts to unacademic writing, which loses objectivity approaches advocating for the Chinese automotive industry (page 22, page 58-59).

## **Suggested questions for the defense are:**

- 1) What hypotheses the thesis aimed to test? What tools and methods were used to test those hypotheses? What were the results of hypotheses testing?

- 2) What methods were used to develop strategy recommendation? Is the sample of only 4 case studies sufficient to develop a robust strategy? Could omission of large automobile companies, such as BMW, GM, Honda, and Tesla, from analysis cause bias?
- 3) Could the author provide sources documenting tools used by foreign governments to suppress Chinese automotive companies and connected “377 investigation” in the United States as is mentioned on page 22? What are the specific “tools” currently used for example by countries of the European Union? Are there rigorous estimates of losses caused to Chinese automotive companies by “suppression tools” used by foreign countries?

**I do not recommend the thesis for final defense. I recommend the following grade: “F”.**

***SUMMARY OF POINTS AWARDED*** (for details, see below):

<b>CATEGORY</b>	<b>POINTS</b>	
<i>Theoretical background (max. 20 points)</i>	14	
<i>Contribution (max. 20 points)</i>	6	
<i>Methods (max. 20 points)</i>	4	
<i>Literature (max. 20 points)</i>	5	
<i>Manuscript form (max. 20 points)</i>	7	
<b>TOTAL POINTS (max. 100 points)</b>	<b>38</b>	
<b>The proposed grade (A-B-C-D-E-F)</b>	<b>F</b>	

**DATE OF EVALUATION: 2.9.2019**

---

**Referee Signature**

***Overall grading scheme at FSV UK:***

TOTAL POINTS	GRADE	Quality standard
91 – 100	<b>A</b>	= outstanding (high honour)
81 – 90	<b>B</b>	= superior (honour)
71 – 80	<b>C</b>	= good
61 – 70	<b>D</b>	= satisfactory
51 – 60	<b>E</b>	= low pass at a margin of failure
0 – 50	<b>F</b>	= failing is recommended

**The referee should give comments to the following requirements:**

**1) THEORETICAL BACKGROUND:** Can you recognize that the thesis was guided by some **theoretical fundamentals** relevant for this thesis topic? Were some important theoretical concepts **omitted**? Was the theory used in the thesis consistently **incorporated with the topic** and hypotheses tested? Has the author demonstrated a genuine **understanding** of the theories addressed?

Strong	Average	Weak
20	12	< 8

 points

**2) CONTRIBUTION:** Evaluate if the author presents **original ideas** on the topic and aims at demonstrating **critical thinking** and ability to draw **conclusions** based on the knowledge of relevant theory and relevant empirical material. Is there a distinct **value added** of the thesis (relative to knowledge of a university-educated person interested in given topic)? Did the author explain **why** the observed phenomena occurred? Were the **policy implications** well founded?

Strong	Average	Weak
20	12	< 8

 points

**3) METHODS:** Are the **hypotheses** for this study clearly stated, allowing their further **verification and testing**? Are the theoretical explanations, empirical material and **analytical tools** used in the thesis relevant to the research question being investigated, and adequate to the aspiration level of the study? Is the thesis **topic comprehensively analyzed** and does the thesis not make trivial or **irrelevant detours** off the main body stated in the thesis proposal? More than 12 points signal an exceptional work, **which requires your explanation "why" it is so**).

Strong	Average	Weak
20	12	< 8

 points

**4) LITERATURE REVIEW:** The thesis demonstrates author's full understanding and **command of recent literature**. The author **quotes** relevant literature in a **proper way** and disposes with a **representative bibliography**. (Remarks: references to Wikipedia, websites and newspaper articles are a sign of **poor research**. If they dominate you cannot give more than 8 points. References to books published by prestigious publishers and articles in renowned journals give much better impression. Any sort of **plagiarism** disqualifies the thesis from admission to defence.)

Strong	Average	Weak
20	12	< 8

 points

**5) MANUSCRIPT FORM:** The thesis is **clear and well structured**. The author uses appropriate **language and style**, including the academic **format for quotations**, graphs and tables. The text effectively refers to graphs and tables, is easily readable and **stimulates thinking**. The text is free from typos and easy to comprehend.

Strong	Average	Weak
20	12	< 8

 points