

DEVELOPING BUSINESS-EXPANSION STRATEGY OF CHINA CONSTRUCTION INDUSTRY TO AFRICA AND ASIA REGION

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China's construction industry plays a decisive role in the national economy. The construction industry of the PRC is the largest in the world. Considering the importance of the global construction market, it is price competition that has become a key success factor for Chinese companies. China's construction industry is one of the fund-forming industries. It helps to improve the market situation and has a positive effect on the economic and social situation in society. It is important to develop a strategy for the development of the construction industry in the markets of Asia and Africa.

The object of research is to develop a business expansion strategy for Chinese construction. The subject of the research is the peculiarities of the formation and implementation of a business expansion strategy. The author relied on the research of domestic and foreign scientists dealing with the problems of strategic planning for business expansion.

Keywords: China; construction industry; strategy; Asia and Africa; business expansion strategy.

In a highly competitive, fast-changing environment, all Chinese multinational enterprises should adopt a survival strategy. Many Chinese companies' strategies should focus on market penetration, environmental adaptation, and brand awareness [1]. It is effective to provide the best prices and be the cheapest producer. Prices are lowered by faster capital turnover, and traders are happy with marginal profits. Choosing an enterprise's unique strategy requires deciding on its core strategic alternative.

Co-branding, or blending brands for marketing purposes, is very common. A multibrand approach involves renaming existing brands within a product category. A mixed strategy uses two or three core strategies in distinct business domains. Large diversified firms (corporations) that operate in multiple industries and/or marketplaces adopt this strategy. Only rigorous continuous strategic planning can assure successful, sustained corporate development.

To establish a plan, you must first research the company's industry and forecast its growth using several methodologies. It is also vital to evaluate the strategy's alternatives economically. Goals for the medium and long term are also created. The business strategy guides the company's actions towards accomplishing its goals. Positioning a company in its market will reveal its competitiveness. Monitoring the strategy's implementation includes managing promising programs, funding, and technological change. An enterprise's aims are determined through an environmental analysis. Management's key job is

to establish a balance between the organization and the environment. The macroenvironment includes the effects of the economy, law, politics, and the natural environment. Portfolio analysis methodologies are used to evaluate strategic positions and organizational direction.

The method's key benefit is that it helps you validate a strategic decision on whether to join a global market. SWOT analysis is a useful tool for strategic situational management in a company. One of the key benefits of SWOT analysis is its simplicity. PEST analysis is also commonly utilized by managers. Use Porter's Five Forces Model to figure out how the five forces of competition affect the enterprise industry.

This knowledge allows businesses to alter their plans. The growth share matrix offers two elements to consider while investing in This chart shows relative market share and growth for each of the four quadrants. The only thing that affects the value of a product is how well a company does in the market.

A detailed risk management guide from the PRC State Asset Control and Management Commission Firms can use marketing innovation to survive the COVID-19 crisis. We provide two aspects to identify marketing innovation initiatives during a pandemic. The first dimension is co-innovation, which defines whether the marketing innovation approach is internal or external. It depends on the firm's resources and capacity to innovate.

The volume of the construction sector worldwide by 2030 will increase by 85% compared to 2020. Sub-Saharan Africa will become the second region of the world by 2025 in terms of growth rates. From 1970 to 2019, construction in Asia at current prices increased to \$2,151.6 billion. This is due to an increase in the population of 2504.3 million and construction per capita by \$454.4. The share of European construction TNCs in the Asian region is 27.6 % [2].

This is 7.3 % of the total export revenue of the 250 largest construction exporters in the region. China will increase its share of the global construction industry to 21 % by 2020, an equivalent of \$2.5 trillion. Companies that want to build a digital strategy in this space will need to think about things like creating strategic product portfolios that meet unmet needs [3].

COVID-19 has led to even more serious labour shortages and job site disruptions. Contractors are reporting increased running costs due to the need to conduct regular testing on workers. During the pandemic, Indonesia recorded a positive 0.2 percent growth rate and expects 2021 to end with a 5.1 percent year on year growth rate. The Philippines' construction sector is forecasted to spearhead the country's economic recovery with a growth rate of 8.3 percent this year. Singapore's construction sector experienced the worst contraction among the bloc at 28.5 percent [4].

This state of affairs is forcing international construction companies to seek contracts in other countries in the region. The development of the world construction market will be affected by a slowdown in the growth of the Chinese economy. The construction market in China has already overtaken the US market in terms of volume and has taken first place in the world. China will increase its share of the global construction industry to 21% by 2020, equivalent to \$2.5 trillion. The region also supports a spectrum of builders, ranging from small homebuilders to medium-sized and large contractors [5].

The Africa construction market covers the growing construction projects in different parts of African countries like Eastern Africa, Southern Africa, Western Africa and Northern Africa across all the sectors, like commercial construction, residential construction, industrial construction, infrastructure (transportation construction), and energy and utility construction. The market further segmented into type of construction projects like additions, demolitions & new constructions and new constructions. Kenya is one of the largest economies on the African continent; it is an important regional center for logistics, trade and finance. Studying the experience of Chinese companies in Kenya may be of interest to potential investors in terms of understanding the modern realities of Kenya. The new government has developed a package of structural economic and governance reforms aimed at improving the country's business climate.



Africa Construction Market Growth

Kenya's need for external resources has created favorable conditions for increasing the Chinese presence in the Kenyan market. The transport sector dominates both in the number of Chinese projects implemented in Kenya and in the volume of credit financing from China. In African countries, including Kenya, there are Chinese centers for the promotion of investment and trade development. Kenyan suppliers and contractors were involved in the supply of cement, sleepers, pebbles and sand for the Mombasa-Nairobi railway. Local pressure on the president led to the cancellation of the existing agreement on the import of cement from China.

Subsequently, all cement for the project was purchased from the local market. In May 2017, CRBC entered into an operation and maintenance agreement for the railway for a period of 10 years. The construction of affordable housing is one of the priorities of the Big Four [6]. By 2022, the Kenyan government intends to provide 500,000 affordable housing units. A number of projects have already begun, incl.

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