MASTER THESIS

"Analysis of Chinese Foreign Direct Investment (FDI) entry modes and performance in the culturally diverse European Union market"

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Elite Graduate Program

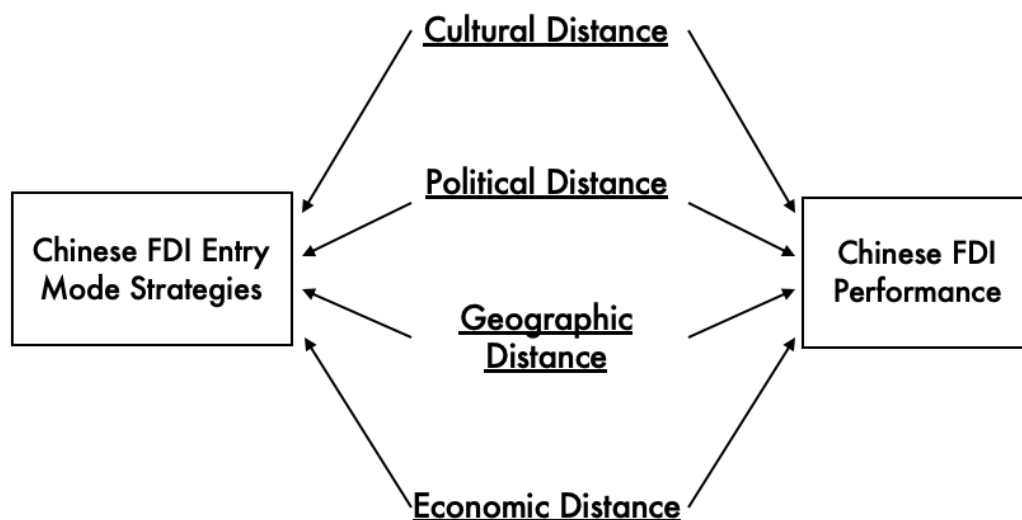"Standards of Decision-Making across Cultures (SDAC)"

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Chinese FDI entry modes and performance in the EU market

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The abstract of the master's thesis

As China is reaching a phase of economic development that goes beyond export business, the increasing amounts of Chinese overseas investments are indicated by a greater number of mergers and acquisitions (M&A) as well as greenfield investments in the European Union (EU). Using systematic meta-analysis, this paper: (a) discusses Chinese foreign direct investment (FDI) entry modes in the EU market influenced by the cultural, political, geographic, and economic distances, and (b) investigates the performance of Chinese FDI in the culturally, politically, geographically, and economically diverse EU market. Chinese investors are becoming more cautious investing in the EU market due to the barriers caused by the recent economic and geo-strategical changes on a global market. For example, one of the results concludes that larger cultural, political and economic distances relate to lower Chinese FDI performance in the EU. The contribution of this paper is to provide the readers an insight about Chinese FDI entering and operating modes on the EU market, as well as to indicate possible challenges taken into account when penetrating and performing in Germany and the United Kingdom (UK).

caption: The research´s structure
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