

## Connecting culture tech with people's daily lives

Culture tech isn't all about technology – it isn't a single, distinct industry. Culture tech means something different depending on who you ask, and how you ask them.

Global EMBA 2021's Joanne Yin is a Board Member and Deputy GM for TCDIC, the Shanghai International Culture-Tech Industry Cluster. We caught up with her to discuss her work at TCDIC, the state of the industry today in China, and its future prospects.



▲ Joanne Yin, Global EMBA 2021

### What is culture tech?

“Culture tech is where the arts, creative design and technology meet, all with the end goal of coming up with new and innovative ways to improve different aspects of people's lives in a digital, interactive or immersive way. Any part of our daily experience has the potential for the ‘culture tech treatment’,” Joanne explains. “It's not just about improving our enjoyment of museums, art galleries, stage performances, video entertainment or gaming; culture tech can be applied to your home, car, community, even retail and healthcare experiences. We're constantly finding new ways to connect culture tech to different parts of life.”

Joanne admits, however, that ‘culture tech’ is a problematic term. Due to its ‘newness’ and the fragmented nature of the industry, it can be hard to grasp what it is and how we can connect with it.

“The culture tech industry is an emerging one. It's new, it covers a lot of ground, and it's very interdisciplinary. However, its elements – such as visual design, immersive technology, laser





**“Culture tech is where the arts, creative design and technology meet.”**

projection, LED, computer animations, motion capture technology – have been around for decades. Look around the world, and you’ll find dozens of different terms to describe roughly the same thing – from ‘digital culture’ and ‘createch’ to ‘arts, entertainment and sports,’” Joanne says. “That’s why, in China, we decided to align with UNESCO’s definition, which is already used in some European countries and is making headway globally. For an industry focused on cross-industry collaboration and ideas exchange, it helps if we all know what we’re talking about.”

Standardisation is important, but what is really helping culture tech take off is its growing presence in sectors like cultural tourism. TCDIC is responsible for bringing together suppliers, designers and organisers of digital art exhibitions and cultural tourism attractions around the world and is showcasing how culture tech can impact people’s lives.

Equally important is TCDIC’s work in educating others about culture tech’s potential. Their growing range of B2B events are essential for showcasing new culture tech solutions. At the same time, these events bring together solution providers and the companies they wish to work with.

### Education leads to expansion

Culture tech is poised for a boom in China. As Joanne explains, the speed and scale of culture tech’s growth in China is connected to Generation Z’s technology use and cultural consumption.

“Gen Z has grown up with smartphones and tablets in their hands. Whatever you hope to show them – whether it’s a commercial product or a cultural experience – you cannot rely solely on traditional methods to appeal to them. They want to feel immersed in the experience,” she says. “Educating the next generation about Chinese heritage is an important task, but museums and art galleries understand that their exhibits cannot

be static; they must offer interactivity, excitement, and something that connects their audience with the narratives they are to sharing. This same applies to commercial ventures – the ‘brand story’ holds more weight with Gen Z, and culture tech is helping brands tell stories in new and engaging ways. That’s the true core of culture tech – creative storytelling.”

For Joanne and TCDIC, the future of culture tech is a series of expanding networks, where cross-industry connections create new opportunities as the successes of one sector influence others.

“Our role is to bring everyone and everything together – capital, creative technologies, experience designers, solutions providers and buyers – to create value. We’re dealing in highly bespoke experiences and setups, often with no precedent, so it’s easy to see why stakeholders might be nervous,” Joanne explains. “This is why it’s important to create ‘industry-standard’ culture tech experiences. We want to show people the kind of model that can be standardised and widely rolled out.”

### A foot in both camps

Joanne exhibits no shortage of optimism about culture tech. Her experiences underline the open-mindedness of both Chinese consumers and businesspeople in understanding and connecting with this significant trend.

“In my industry, it’s important to have a foot in both the business and creative worlds. It’s often difficult for people from creative, cultural industries to forge connections with those who have little understanding of what they are trying to achieve,” Joanne says. “This is a big part of why I wanted to do a Global EMBA. It was important to get a better sense of how people from outside the culture and creative industry see it. I want to know what they think about culture tech, and how we can work to develop a next-generation creative economy.”

# Perfect storm hits sports market, but blue skies on the horizon

■ By Cameron Wilson

**T**he pandemic has brought massive global changes to life and work in new and unforeseen ways. It has also impacted numerous industrial shifts which were already underway before the virus struck at the start of 2020. CEIBS MBA 2016 alum Asier Guevara reveals how COVID-19 has affected the world of sports marketing, and why he plans to continue his career in China.

Based in China for 13 years, Asier has developed considerable experience helping foreign companies expand into the country. Last summer, he joined Media Pro, a visual production company. Media Pro sells the rights for Spain's La Liga and other top football leagues around the world. Asier heads the company's China office, where it has a contract to produce content for the Chinese Super League (CSL). The company is also involved in China's domestic basketball competition, the CBA.

China's sports market has grown significantly in recent years. Chinese football, in particular, enjoyed something of a boom towards the middle and end of the last decade, as the government announced a comprehensive plan to overhaul football in the country. A number of major Chinese conglomerates such as Evergrande and Suning also poured money into the game. World famous football stars such as former Manchester City striker Carlos Tevez, ex-Chelsea midfielder Oscar, and Brazilian international Hulk were just some of the huge names to sign for Chinese football clubs.

However, shifting national priorities and the pandemic have since



▲ Asier Guevara, MBA 2016

presented the sport – and Asier – with a host of unforeseen challenges. For example, frustrated by Chinese football clubs lavishing huge investments on foreign players with little benefit to the country's national team, the Chinese Football Association introduced salary caps, bringing an abrupt end to the era of big name football stars coming to China.

“The problem in the sports industry is that it is not always market forces which determine everything – so it is very challenging,” says Asier.

Despite this disappointing shift, Asier's team resolved to nevertheless focus on their core business of TV content production. Unfortunately, no sooner had they adjusted than the pandemic

*“The problem in the sports industry is that it is not always market forces which determine everything – so it is very challenging.”*





hit, disrupting both the CSL and Media Pro's ability to sell TV rights overseas.

"You never know when the games are going to happen or if they will stop for one month due to COVID. From a business perspective, it is really tough because we can't give clients a calendar – which is the most basic thing you need to sell," he says.

Similarly, business for player IP has been similarly hit.

"A lack of big names has hurt the product, so it is a really challenging environment," says Asier, adding that events such as the Winter Olympics and other changes have drawn more attention away from football and basketball.

"It is what it is, there's nothing we can do about many of the changes, it creates uncertainty and we have to deal with that," he says.

Nevertheless, Asier remains committed to China and believes the long term outlook for the Chinese sports market is very positive.

"I consider myself lucky to be working in the

sports industry. I'm a huge sports fan and this is a growing industry, regardless of the current situation. The industry will definitely grow bigger in the next couple of decades," he says.

For now, Asier is concentrating on overcoming COVID-related hurdles – he is currently in his native Spain due to travel restrictions – and says whilst Zoom calls are great, face-to-face communication is particularly valuable in the Chinese market.

"In China, negotiations tend to take longer than anywhere else and creating trust also takes time. We have to go through every line of each contract, so there is a lot of pressure," he says.

Ultimately, Asier has learned to roll with the punches, and feels his MBA and general learnings in China so far have set him up well for the current climate of unpredictability.

"I think that providing yourself with a growth experience, in general, is always a positive in any environment, and because of the way China is, it is especially good at preparing you for uncertainty because even in normal times China can be quite uncertain," he says.

---

*"Providing yourself with a growth experience, in general, is always a positive in any environment."*

## ILLUMINA Greater China GM: Three turns from regional sales manager to global senior VP



As a veteran engaged in healthcare industry for nearly three decades, Illumina Senior Vice President and General Manager of Greater China and CEIBS EMBA 1999 alum Li Qing has experienced three major transitions during his career.

Illumina, a global leader in DNA sequencing, came into spotlight in 2020 when a medical research team from Shanghai Public Health Clinical Center of Fudan University decoded and published the world's first genomic sequence of the COVID-19 pandemic using MiniSeq, a sequencing device developed by Illumina.

Though the company hadn't just emerged from nowhere, the level of brand exposure that followed was unexpected. Fueled by increasing demand from institutions for genetic testing reports, the

penetration rate of Illumina's sequencing equipment in China's market reached about 70% during the pandemic.

### Expanding partnership network

Li joined Illumina in 2019 and took over its Greater China operations just before COVID struck. While coping with the anxiety caused by the pandemic, Li focused on turning the crisis into an opportunity to drive change.

"Though the pandemic is a global crisis, it is also an opportunity for the DNA sequencing sector, an opportunity to make new technology available to the public, and an opportunity for professionals to drive the implementation of many applications," he says.

China, as Illumina's second largest mar-

ket at the time, is particularly important. However, the country's regulations on foreign-invested companies have prevented overseas companies like Illumina from investing or participating in genetic testing services, making 'co-operation' the key word.

In China, Illumina's clinical interests include malignancy, non-invasive prenatal testing, genetic diseases and pathogenic microbiology. It provides sequencing technologies to its partners, who then provide genetic testing for diagnostic purposes to hospitals and patients.

Li has focused on two main things over the past two years: one is helping Illumina learn more about China and how it can incorporate the market into its global strategy; the other is helping Illumina establish a more forward-looking roadmap in the clinical field. In doing so, the



company has expanded its partnership network to attract more genetic testing service providers to develop more and better applications. At the same time, it has introduced new sequencing technologies and platforms to hospitals trusted by the public to promote quality applications.

After joining the company, Li also began a series of localisation endeavours, including opening a new office for Illumina's Greater China headquarters in Shanghai, launching RMB-based businesses, and establishing an intelligent healthcare genomics incubator in collaboration with leading investment firm Sequoia Capital China.

### Three major transitions in the healthcare industry

Looking back on Li's 30 years in the healthcare sector, there are three impor-

tant moments that need to be noted.

The first came in 1998 when, while working at Solvay Pharmaceuticals, Li went abroad for the first time. He was impressed by his visit to the University of Vienna, and was inspired to become a different person.

In 1999, Li enrolled in the CEIBS EMBA programme, where he was exposed to a new world with people from different industries and with different career perspectives.

"The experience opened my eyes to how business is done in industries other than pharmaceuticals, to understand what financial managers think about, and how important it is for a production manager to manage bottlenecks," he recalls.

His experience at CEIBS also helped him move up the career ladder. He joined Baxter China in 2000, where he made the move from sales to head of the firm's LVP business unit.

The second big moment came when Baxter sent Li to work overseas in the United States and Malaysia in 2009 and 2010. During those two years, he developed a way of communicating with international headquarters and overseas executives, and gained a deeper under-



Li Qing, EMBA 1999 ▶

standing of China's healthcare market.

Finally, the third big moment came when Li joined Illumina and moved from the traditional healthcare industry into the precision medicine field focusing on molecular diagnostics. For him, Illumina represents not only the future of the industry, but also a personal challenge, as he has needed to adapt to new changes related to industry knowledge and the high pace of clinical development in the gene sequencing industry, as well as the corporate culture and entrepreneurial spirit at Illumina.

### Long-term patience

"Just look at my career trajectory. I worked for Baxter for 10 years, GE Healthcare for another 10 years. The reason behind all of this was that I knew it took time to get things right," he explains.

In particular, it all took patience.

"If by the time I retire, or in 10 years from now, most hospitals have genetic diagnosis departments, and doctors and patients have embraced genetic diagnosis the same way as they do diagnostic imaging today, that will be a remarkable lifetime accomplishment for me," Li says.



## How did a century-old sewing machine maker extend its reach into airplanes?

**W**ith a history dating back to 1919, Butterfly was China's first home-grown sewing machine brand. In the 1980s and 1990s, it was one of the major marriage must-haves for young couples.

However, as the ready-to-wear market took off in the late 1990s, fewer people sewed clothes at home. Meanwhile, as private businesses swarmed into the sewing machinery industry, China's domestic manufacturers began to struggle. With the market declining, Butterfly cut production several times. At its lowest point in 2000, it began selling off factories.

In July 2004, CEIBS (Switzerland) DBA student Zhang Min was appointed as Chairman and CEO of ShangGong Group. Faced with intense competition, the company formulated a strategy focused on quality, differentiation and globalisation. Cross-border M&As were amongst Zhang Min's first major moves after he took over.

The first company that attracted Zhang's attention was Dürkopp Adler, a nearly 150-year-old German sewing

machine maker. The deal was deemed risky as Dürkopp Adler was in the red back then.

"ShangGong Group had to borrow money from shareholders and banks to secure the deal. If Dürkopp Adler had continued to lose money, within a year or two, both companies would come to a dead end," Zhang recalls.

Nevertheless, ShangGong Group showed robust growth in production following the integration of Dürkopp Adler, and its products gradually took hold in the Chinese market. The company swung into profit the following year.

### Expanding from sewing clothing to sewing airplane equipment

M&As helped ShangGong Group achieve breakthroughs, but they don't

*"It's not enough to just sell products."*



reveal the whole picture of the company's development. What matters more, in Zhang's view, is innovation.

"These acquired companies have century-old brands that you would hate to relinquish. And, German enterprises have a solid foundation in technological R&D, which is the core competitiveness of manufacturing companies," Zhang says.

ShangGong rose to become a global leader by mastering sewing technologies, including robot-controlled 3D sewing and 360-degree sewing. Technology has opened up myriad possibilities for modern industrial sewing.

"In addition to luxury goods brands, Boeing, Airbus, and major domestic aircraft manufacturers are also using industrial sewing equipment supplied by our subsidiary companies," Zhang adds.

How are sewing machinery and aerospace equipment, two seemingly unrelated fields, connected? According to Zhang, ShangGong Group's R&D centres have developed intelligent sewing equipment for the processing of carbon fibre composite structural materials for aircrafts, leather automotive interiors, industrial textiles and wind turbine blades.

### Dual drive: Innovation and service

While cross-border M&As have brought ShangGong new technologies and products, its globalised operations have laid the foundation for it to transform into a



◀ Zhang Min,  
CEIBS (Switzerland) DBA

service-oriented manufacturer. In an era when production-oriented manufacturers face competition on both quality and efficiency, as well as labour shortages and rapidly rising wages, Zhang knows that if his company did not transform from production-oriented manufacturing to service-oriented manufacturing, it would hit a dead end.

So, how did it change course? In Zhang's opinion, through innovation and service. Development requires innovation, while excellent products and technologies are essential for great services. Development requires service. Without service, a company would can't win the hearts of customers, and will eventually lose the market.

"The company's global layout has helped it leverage shared resources, enhance its complementary strengths and pursue collaborative development," Zhang says, adding that the group has deployed a differentiated brand strategy to provide professional services to customers. The group also operates 10 industrial sewing equipment plants worldwide and a network of sales subsidiaries and distributors around the world.

"Only with robust technological R&D can we provide tailored products for our customers. And by establishing local teams, we can better understand customers' needs and reach them through localised marketing," Zhang explains. "It's not enough to just sell products."

In the era of the internet and big data, Zhang is leading ShangGong's transformation from a pure-play equipment supplier into a smart factory service provider that offers integrated software and hardware solutions. In 2020, the company established a strategic partnership with Honeywell to cooperate on intelligent manufacturing, with the aim of empowering manufacturing enterprises with automated, intelligent, digital and systematic solutions.

"Honeywell is experienced in industrial internet technology and automation solutions, with strong software capacities, while we have solid hardware capabilities in automation equipment and production line integration. The combination of hardware and software will allow us to better navigate the Industry 4.0 era," Zhang says.