

## Challenge No 1: A culture cauldron

17 May 2012 | Analysis | By BioSpectrum Bureau

### Cultural diversity: A challenge for businesses in Asia Pacific



The countries in Asia have different languages, cultures and religion. Some of them are even a melting pot of people from different linguistic, cultural and historical backgrounds. This diversity often makes it difficult for businesses operating in the region to understand and adapt to these diversities ([Read about all 10 challenges for businesses in APAC](#)).

"This vast diversity of cultures and languages is a challenge before the biosciences industry in the region," says Mr Kamal Joshi, senior manager- IP Protection & Commercialization, Venus Remedies, India.

Mr Rahul Dev, managing partner, Tech Corp Legal LLP, India, agrees that this is a challenge for companies doing business in the region. "There is a vast diversity of cultures, languages, and economic and governance models. Therefore, a general approach followed by various organizations is to form a base in Japan or Singapore for focusing on research capabilities mainly, and simultaneously concentrating on the fast-growing markets of China and India," he says.

"The pharmerging markets of China and India undoubtedly present major opportunities for Australian biotech companies," says Dr Deborah Rathjen, CEO & MD of Bionomics, Australia. "But many managers are uncertain about how to go about building links with Asian countries and to surmount the plethora of legal, linguistic, and often protectionist challenges they present." She adds that these "heavily regulated and culturally demanding environments do offer enormous opportunities, particularly in China, where the local biotech industry, bolstered by massive government investment, has seen an annual growth above 20 percent in the last three years."

Within the APAC region, China alone has vast regional differences, points out Mr Ling Sun, analyst, Datamonitor Healthcare, China. He adds that it poses significant challenges for multinationals (MNCs), which typically don't have the same strong relationships and inherent understanding of provincial market dynamics as compared to domestic players.

This is one reason that MNCs have focused their efforts, until now, on penetrating the larger tier I and tier II markets of eastern China.

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