You Be the International Management Consultant

[Name of the Writer]

[Name of the Institution]

You Be the International Management Consultant

**Case Summary**

In the year of 2009, the government of China has marked the proposed acquisition of Huiyuan Juice by Coca Cola rejected. Based on the deal of 2.3 billion US dollars, the company will have more investment of 2 billion US dollars in the country's markets. Because of the monopolization of fruit juice and beverage industry, the government rejected the investment. This rejection also spectacle all other investors that the government would be highly focusing on foreign investments in the future.

Despite the international financial crises, retails sales in China grow with double-digit. Undeniably, China cannot be considered as an emerging market while looking at some durable and nondurable goods while the country is a large market for automobiles internationally as well as brands like KFC and Pizza Hut have generated one of third of their overall revenues. Plus, because of larger markets and constant growth, the country remains an attractive host for foreign investment.

**If you are working as a consultant for Coca Cola, how does the dismissal of the deal by the Chinese government affect your continued investment in the country?**

The deal between Coca-Cola and China Government was about the business expansion of Coca-Cola into the market of China. This deal was hugely crucial and important for the company to expand its operations and improve its revenues and enhance profit market by targeting a larger sized market(s).

The dismissal of the deal by the Chinese government could put a huge impact on the continuous investment of Coca-Cola in the country in several ways. The dismissal of the deal can lead the company to switch its focus towards and utilize their energies to widen the reach of their fundamental brands in the China (Sun, 2011). As well as, since the deal of Huiyuan Juice by Coca Cola has been dismissed by the country, the company could come up with new potential brands and products, especially in the juice sector. The company has to engage in the juice sector because the juice market of China has enough potential which can be utilized by Coca-Cola. In brief, the dismissal of the deal can have a positive impact on the compact if the case has been analyzed efficiently and looked intensely from all perspectives (Sun, 2011).

**What more could private business, like Coca Cola, do to convince the government that new enterprise can bring positive economic development to the country?**

There are many arguments which can be given by a private company like Coca-Cola to the government that new company or enterprise could bring economic development to the country or region (Young, Hood, Peters, 1994). Some potential reasons which show that how a new enterprise could bring economic development to the country are as follows.

* New enterprise can contribute to the country's GDP through its contribution to Taxation.
* It provides more employment opportunities to the public of the country
* New enterprise invests in new and innovative products and services which are highly needed by people of the country.
* Positively affect the social-economic objectives of the country
* They add enough contribution to community development and bring economic and social change

**Is the prospect of China’s sheer volume of potential customers too good to pass up? Or do the actions of the government and the country’s recent stock market woes indicate a signal that investment should be reconsidered?**

The prospect of China's sheer volume of potential customers too good to pass up because the economic level of the people progresses aggressively as well as the daily spending of the public of the country has shown a huge increase in the last years. Beyond that, the development of small scale business has enhanced the level of daily spending of the people.

The government of China has been found active in terms of attracting businesses to make investments in the industries and markets of the country. As well as the recent and even current stock market of the country has shown and shows a high increase in the investments of existing businesses, companies and brands (Ambler, Witzel, Xi, 2016). So based on the information of the stock market of China, it could be stated and indicated that investment of Huiyuan Juice by the Coca-Cola company in the Chinese market would be marked reconsidered.

**References**

Ambler, T., Witzel, M., & Xi, C. (2016). Doing business in China. Routledge.

Sun, J. (2011). The implementation of China’s anti-monopoly law: A case on Coca-Cola’s abortive acquisition of Huiyuan Juice. Frontiers of Law in China, 6(1), 117-130.

Young, S., Hood, N., & Peters, E. (1994). Multinational enterprises and regional economic development. Regional studies, 28(7), 657-677.