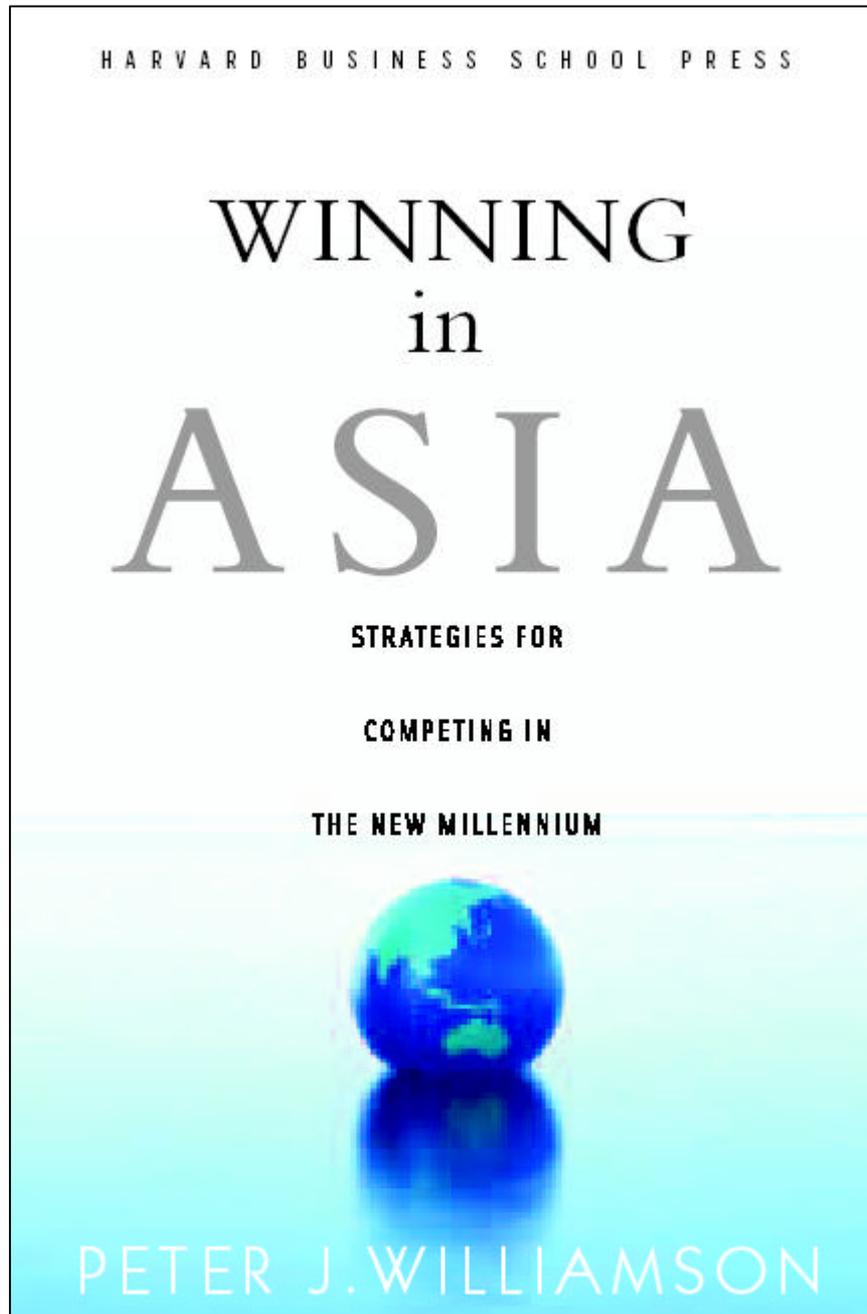


**Winning in Asia**

---



---

CONTACT: Julie Devoll, Senior Publicist  
P: (617) 783-7471; F: (617) 783-7489  
E: [jdevoll@hbsp.harvard.edu](mailto:jdevoll@hbsp.harvard.edu)

# WINNING IN ASIA

## *Strategies for Competing in the New Millennium*

**By: Peter J. Williamson**

The Asian competitive game is undergoing a sea change—a change that began with the Asian crisis in 1997 and was given new impetus by the global downturn in 2001. For many years, both Asian-owned firms and multinationals tried to convince themselves that conditions would return to the familiar “Asian norm” of the 1980s and 90s. But today they must face a new reality—it will take a different kind of company to survive Asia’s next round of competition.

In **WINNING IN ASIA: Strategies for Competing in the New Millennium** (HBS Press; June 15), Peter J. Williamson, Professor of Asian Business and International Management at INSEAD, explains what the future in Asia looks like and what executives—both in Asian-owned businesses and Western multinationals operating in Asia—must do to meet these challenges and emerge as winners in the next round of competition. Williamson argues that to win tomorrow, Asian companies will need to combine their traditional strengths with the best business practices from around the world to create new and distinctive Asian multinational companies. The result will be a new breed of Asian corporation that will reshape the Asian playing field. To compete with this new breed of local rivals, Western companies operating in Asia will need to fundamentally reassess the approaches that have won them a share of Asia’s rapid growth over the last two decades.

According to Williamson, managers in Asian companies looking to compete in tomorrow’s business environment should ask themselves two key questions: Do I know what my company will need to look like to win in the next round of competition? Do I have the strategies to get there by leveraging and extending my distinctive Asian heritage and capabilities in new ways? In *Winning in Asia*, Williamson helps Asian companies marshal the concepts that will help them develop a robust strategy that will enable them to answer “yes” to these questions with confidence.

## Five Key Challenges in the Next Round of Competition

Williamson explains that winners in tomorrow's Asia will be distinguished by their ability to rise to the following five key challenges:

- ***Making a step-change in total productivity:*** This demands a new, broader attack on areas of low productivity that were tolerated during Asia's last boom. It means eliminating inefficiencies in logistics, distribution, supply chains, service and support processes, administration, and management decision making, with much greater emphasis on maximizing the value added per employee, not just minimizing the cost. Because these changes will require painful adjustment that strikes at the heart of cultures, habits and orthodoxies that are deeply rooted in corporate Asia, they cannot be achieved simply by copying the processes and systems used in the West. Just as dramatic advances in manufacturing productivity in Japan were achieved through unique approaches developed locally, tomorrow's broader productivity improvement will have to be won by learning and adapting new systems and processes to give them an Asian flavor that is effective in the local context.
- ***Building new capabilities for innovation*** that allow Asian companies to really differentiate themselves from competitors and break out of Asia's current commoditisation trap to become "different as well as better". This will demand a change of mentality that allows them to focus on innovation in its broadest sense: to include innovation in all of the firm's undertakings, not just the development of new products or technologies. The winners will also need to develop robust innovation processes that can harness traditional Asian strengths in rapid commercialization and in learning from the world, rather than following the "lone-gun inventor in a garage" model of innovation and entrepreneurship idolized in Silicon Valley.
- ***Creating strong Asian brands*** that are capable of capturing higher value and building customer loyalty, while leveraging off the distinctive heritage of Asian service culture and Asian companies' agility and capacity for learning ways that will short-cut traditional brand-building processes that would normally take decades of massive investment.
- ***Extending and integrating their international networks*** enabling them to compete as unified, pan-Asian businesses rather than as isolated national champions or a set of loosely connected subsidiaries. The challenge is to go beyond replicating the kinds of international structures Western multinationals have already built around the world, to create distinctive, "Asian-style" multinationals that utilize Asian expertise in assembling and managing networks of alliances, continue to uniquely align corporate objectives with the goals of Asian governments, and to overcome the disadvantage of being later-comers by short-cutting the standard process of internationalisation in innovative ways.
- ***Reshaping the Asian playing field by driving industry consolidation*** using mergers and acquisitions to move from today's fragmented Asian industries to a more efficient structure with improved profit potential. In rising to this challenge, tomorrow's winners will successfully use consolidation to gain control of emerging "chokepoints" or "mountain passes" along the chain of activities between inputs and final users. They will also need to approach the problem of multiple acquisitions and their integration more in the spirit of alliance than of takeover, bringing to bear traditional Asian skills in networking.

Providing a practical framework for formulating successful post-Asian crisis strategies, **WINNING IN ASIA** is the first book to tackle the critical issue of what companies must do and how they must change in order to compete successfully in the new Asia.

**ABOUT THE AUTHOR:**

**Peter J. Williamson** is Professor of International Management and Asian Business at INSEAD in Fontainebleau, France, and Singapore. He has worked with both Asian companies and multinationals through the region on strategy and capability development for more than twenty years. He has been actively involved in a number of joint ventures in China since 1983 and numerous mergers and acquisitions, and is an adviser to governments on trade and investment and also serves as a nonexecutive director of several listed companies. His other published books include: *From Global to Metanational: How Companies Win in the Knowledge Economy* with Yves Doz and Jose Santos; *The Economics of Financial Markets* with Hendrik Houthakker; *Managing the Global Frontier* with Qionghua Hu; and *The Strategy Handbook* with Michael Hay.

**WINNING IN ASIA**

***Strategies for Competing in the New Millennium***

**By Peter J. Williamson**

Harvard Business School Press

June 15, 2004 \* 272 pages \* ISBN: 0-87584-620-3

Distributed to the Trade by Client Distribution Services

Visit our Web site at [www.harvardbusinessonline.com](http://www.harvardbusinessonline.com)

###

---

PRESS RELEASE

**COMPETING FOR BUSINESS IN  
POST-CRISIS ASIA AS LOCAL COMPANIES  
ATTACK GLOBAL MARKETS**

June 2004 – In the wake of the Asian financial crisis five years ago, most Asian corporates looked like smouldering wrecks. Not surprisingly then, many senior executives in Europe and the US have written them off as an important force when it comes to mapping out their commercial strategies. However, the reality is very different to this viewpoint. Asian competitors have risen from the ashes, are reinvigorated and in new guises. As a result, they present an *even more* powerful and competitive force today than ever in the past. *Winning in Asia, Strategies for Competing in the New Millennium* by Peter J Williamson (Harvard Business School Press, July 2004) exposes the emergence of tough competition from local Asian companies, what they now look like how they can be expected to behave. A new benchmark for the 21<sup>st</sup> Century way of competing for market share in Asia has arrived.

“It’s time to compete with new rules,” comments Williamson. “Asia has once again become the most exciting growth region in the world. But this time carving out a share of the Asian boom means beating an new breed of Asian competitor: one that combines the strengths of traditional Asian business heritage with cutting-edge global capabilities. This metamorphic transformation has caught many multinational Western corporates off-guard. Its time they took a new look at the local Asian competitors and fundatmentally reassessed the strategies that worked in Asia in the past”

*Winning in Asia* is the first book to offer specific guidance and a model for how to compete on the new-look Asian playing field. Furthermore, *Winning in Asia* includes many illuminating examples of Asian companies already undergoing transformation.

Western companies are urged to re-think their strategies and heed the sophisticated understanding of the strengths and weaknesses of their 'opponents' that may not have even registered on their radar until now.

*Addressing* the major forces driving economic change, Williamson identifies the key challenges that tomorrow's winners in Asia must face:

- Moving from operational productivity to 'total productivity'
- Building new capabilities for innovation and differentiation
- Creating powerful new brands that leverage long-standing Asian traditions
- Building an integrated network of businesses that crosses geographic borders
- Using mergers and acquisitions to drive industry consolidation

The message from *Winning in Asia* is loud and clear: Local companies are threatening multinationals' plans to conquer Asian markets. It's time for new strategies in response!

-ends-

*Winning in Asia*  
by Peter J Williamson  
Harvard Business School Press, July 2004,  
Price £19.99 / \$32.50 - ISBN: 0-87584-620-3

All media enquiries including requests for Review copies to  
Sue Blake Media on ☎020 8891 2203  
📞 07966 538108 or 📧 sue@sueblakemedia.co.uk  
5 Laurel Mews, 2a Laurel Avenue, Twickenham, Middlesex TW1 4JA

Notes to Editors

**Peter J Williamson is Professor of Asian Business and International Management at INSEAD and is co author of from *Global to Metanational* (HBSP).**