

IRISH CHAMBER
of Commerce China



2024: The Year of the Soaring Dragon?

An Irish perspective for businesses in China

January 2024, Shanghai, China.

WELCOME MESSAGES



Wendy Dorman-Smith

Consul General

Consulate General of Ireland in Shanghai

I am very pleased to once again be asked to contribute a message to this welcome annual report, with contributions from Irish experts working in a diverse range of industries in Eastern China. The questions are well framed to elicit valuable and insightful opinions. As we move into the Year of the Dragon, Ireland is well positioned in relation to China. It is clear that both the challenges and opportunities awaiting in the Year of the Dragon are manifold.

In October the Tánaiste and Minister for Foreign Affairs, Mr Micheál Martin, launched an updated Asia Pacific strategy "Global Ireland: Renewing our commitment to delivering in the Asia Pacific Region to 2025". As Ireland's largest trading partner in Asia, our relationship with China will be of central importance to this strategy.

In November the Tánaiste formally opened our new Ireland House in Shanghai, where the Consulate is co-located with our State Agencies: Bord Bia, Enterprise Ireland, IDA Ireland and Tourism Ireland. This new Ireland House, which my colleague Patrick O'Riordan also mentions in his contribution, will be important to many aspects of the relationship this year and beyond and we are all very much looking forward to making full use of it.

Most recently, Chinese Premier Li Qiang visited Ireland earlier this month. This visit saw the announcement of the resumption of Irish beef exports to China (the groundwork having been done in advance and the necessary inspections having already happened) and the announcement of a unilateral short term visa waiver for Irish tourists and business travellers to China.

Whilst of course uncertainties and challenges abound in the world at the moment, at the same time I am excited about what this year ahead will bring, for the Irish Chamber of Commerce China, for Irish / Chinese businesses, business people, and the rest of us!

I wish you all a peaceful and prosperous Year of the Dragon.

Wendy



Ard-Chonsalacht na hÉireann
Consulate General of Ireland

WITH THANKS TO:

The Consulate General of Ireland in Shanghai.
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The editorial board: Peter Markey, Barry Colman, Andrew Mitchell
Our contributors from the extended Irish community in China.
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Peter Markey

Chairperson,

The Irish Chamber of Commerce China

I am delighted to introduce our 2024 outlook report, offering insights into what Irish experts living and working in China expect for the year ahead, the Year of the Dragon.

We started these reports in 2021, so this is the first where COVID is in the past. Or is it? The transition has not been straight forward and the economic boost from a return to normality has been offset by both the stagnant real estate sector and new geopolitical complications. Will 2024 see China move past these challenges and will we see the Dragon soar? Our contributors bring stimulating and unique insights to this question.

While there is some continuity from previous years, there are also changes. We have new contributors from education and insurance, service sectors of increasing sophistication which reflect the evolution of the Chinese economy. We have gone back to a contributor from retail and product sourcing to see how supply chains have evolved. For the first time, we have a joint contribution, from Chong Wang and Isaac Lawless, wife and husband, Chinese and Irish, common professional backgrounds but now working in different fields. For the first time, we have a joint contribution, from Chong Wang and Isaac Lawless, wife and husband, Chinese and Irish, common professional backgrounds but now working in different fields. Finally we have 'B2B Barry' Colman share his thoughts on where the Dragon may wander.

Our experts are from across different industry sectors, and work in a wide range of companies, including multi-nationals, Irish private companies and state organisations, as well as SMEs. Accordingly, the report captures diverse perspectives, with some common themes emerging. Many thanks to them for taking the time at this busy time of year to provide their insights.

I'm sure our members will find this report stimulating reading during the Chinese New Year holiday!

Peter

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5. Isaac Lawless and Chong Wang:

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B2B MARKETING: GLAS Communications

The ICCC posed the following 7 questions:

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome / take advantage of them?
2. What initiatives do you see happening during the Year of the Dragon in your sector / company to enhance sustainability?
3. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?
4. How has working life evolved for you over the last year since the end of the COVID restrictions and do you expect these changes to continue?
5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?
6. What do you think we'll all be taking about in January 2025?
7. What one piece of advice would you give your younger self at the beginning of this New Year of the Dragon?



Jo McFarland

**The Senza Group
Global Sourcing Director**

RETAIL AND SOURCING

The Senza Group is a product sourcing company specialising in Textiles, Home Decoration, Furniture, Faux Floral and Electrical to mostly UK companies such as NEXT, ASDA, Dunelm, ALDI, Argos and more.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome / take advantage of them?

The biggest challenge for 2024 is the ongoing challenging economic environment in the UK, which is our main market. We supply big retailers in the UK with Home Decoration style products and small pieces of furniture. Retailers are still maintaining the same number of lines but are ordering significantly less of them as UK customers have less disposable income. Retailers are trying to drive their business by offering more choice, which is challenging for sourcing as they are ordering small amounts of a large number of lines making it operationally more expensive and less attractive to factories. Retailers also quite rightly have high expectations when it comes to responsible sourcing with increasing focus on a manufacturer's sustainability agenda and social responsibility.

We will mitigate / overcome some of these challenges by reducing the number of factories we use and, given the challenging sourcing environment, focusing on factories which are much more willing to embrace sustainability initiatives. This will drive a more competent supply base which is better set up for the future. To offset the smaller volumes, we are widening our customer base across the UK and securing routes into a more international customer base.

2. What initiatives do you see happening during the Year of the Dragon in your sector / company to enhance sustainability?

Many initiatives in our sector are underway such as reducing the amount of packaging used, elimination of plastic etc. I think the next year will see a dial up of alternative materials such as bamboo, bioplastic, paper, bagasse, coconut, jute, cork etc. as well as more investment in innovative solutions to avoid plastic. There will also be more pressure on factories to

demonstrate they are reducing carbon emissions, recycling water and recycling waste. China itself has pledged to make itself Net Zero by 2060 and, once it really starts to focus delivery on this, we will see a really significant shift into more sustainable manufacturing.

3. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

The previous one child policy in China is now having an effect on recruitment. Younger people have high expectations from the workplace and are less willing to work in more administrative or less tech-led roles. We are trying to attract the right people through offering an improved working environment, flexible working and western style leadership and working policies

4. How has working life evolved for you over the last year since the end of the COVID restrictions and do you expect these changes to continue?

The biggest change is everyone being able to travel again. I have travelled a lot and have also received a high number of visitors over the course of the last 6 months. Having said that, it is still less than pre pandemic levels as there is now a move towards more digital working as people have got used to communicating through video. I think it is unlikely we will ever return to pre pandemic levels of travel as companies enjoy the cost savings of travel and improved productivity as less time wasted travelling to destinations. China has not adopted working from home in the way the rest of the world has but there is definitely a more relaxed approach to it and this is likely to evolve through 2024 and beyond.

5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

AI is not really used very much in our sector but I think that could change as we move through 2024. What that looks like is yet to be defined.

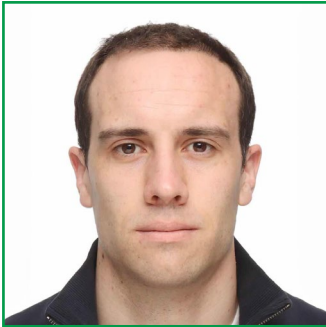
6. What do you think we'll all be taking about in January 2025?

Given the craziness of the last few years it is hard to predict! It would be wonderful if we are saying how great it is that Shanghai is back to normal with an improvement in the China economy, more tourists embracing China and we are welcoming newcomers into the Chamber. It would also be great to be able to say how great it is that some of the Geopolitics affecting the world right now are being resolved.

7. What one piece of advice would you give your younger self at the beginning of this New Year of the Dragon?

Change is happening every minute of every day. Embrace it and where you can be the change.





Michael O'Dwyer

AIG
Digital Partnerships

INSURANCE

AIG is a global financial services group. I work on a team overseeing digital partnerships across the company with a particular focus on fintech partnerships.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

I think the biggest opportunity has already been with us for years. That is to capitalize on Ireland's image as a small, business friendly country with a global mindset. If we consider the establishment of the IFSC (International Financial Services Center) in Dublin as an example. That site, which today contributes 8% to Ireland's GDP, actually wallowed as an industrial wasteland before its future was reimagined. Yet today, thanks to the foresight of successive Irish governments, the IFSC has become one of Ireland's economic engines.

More importantly though, I think the success of the IFSC can serve as a template for other industries, if the right programs are put in place to support it. You might remember the 'Farmleigh Fellowship' which allowed Irish students to spend time with companies in Asia. I believe the opportunity exists to create industry specific fellowships, in the mould of Farmleigh, that would allow working professionals to build bridges with their counterparts in Asia - but crucially within their own sector. The fact that Ireland already has clusters in technology, medical devices, f&b, financial services (especially aviation finance), and pharmaceuticals is all to our advantage. So I think embracing public/private partnerships that offer interdisciplinary exchanges within specific sectors is one opportunity we should seize.

2. What initiatives do you see happening during the Year of the Dragon in your sector/company to enhance sustainability?

Sustainability matters to insurers as even moderate global warming will increase natural catastrophe losses. Traditionally, the insurance industry has focused on what we call primary perils; namely hurricanes and earthquakes. Then secondary perils are defined as producing small to mid-sized losses, or are perils that follow a primary peril – such as floods, wildfires, and tsunamis. Unfortunately, even 1.5 degrees of global warming means these once 'secondary' perils will become more common and so they have moved into the spotlight.

Understanding this, and also knowing that the financial cost wrought by climate change is not the biggest issue, insurers are trying to move away from their historically reactive role of paying claims and towards a preventative role of helping governments anticipate the effects of climate change. This is being done by combining legacy catastrophe risk models (which have existed for 30 years) with advanced analytics to allow governments model the effects of global warming by identifying potential disaster zones and anticipating its impact. So, I really hope the unique strengths of insurance companies, relating to data analytics and risk mitigation, can be used to ready vulnerable populations for the effects of climate change.

3. What do you think we'll be all taking about in January 2025?

I wouldn't rule out the appearance of a Shanghai hurling team next year. There are enough hidden hurlers here to do it!

4. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

The biggest challenge for AIG in China continues to be the push factor of regulatory pressures stemming from a government desire that the private sector carries more of the public healthcare burden, and the pull factor of changing customer demands. For example, China's younger highly educated workforce increasingly view insurance as a protection tool instead of a savings tool. Second, those aged 45 and older, a segment that will soon represent over a third of China's population, are seeking retirement products such as fixed annuity

options and critical illness cover. And finally, as China is disproportionately affected by chronic diseases, preventative healthcare services with access to specialists and global coverage are becoming more relevant. All this means foreign insurers operating in China will need to invest in new product development, alternative distribution, and niche services.

5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

It's a resource. Or at least it was a resource this year. I think the arrival of deepfakes and beatbots awed us all. And who can forget the image of Pope Francis strolling the Vatican in a puffy jacket of an off-white color synonymous with papal regalia. I see that picture and the technology it represents as a lesson; seeing is no longer believing.

Beyond that all I can offer is an observation from a guy called Roy Amara who told colleagues he believed people overestimate the impact of technology in the short-term, but underestimate it in the long term. That sentiment actually became known as 'Amara's law' and is normally used to explain the promise of Nanotechnology. But I think AI can probably be viewed in the same way. An early stage resource which in the short term will be limited to narrow use cases such as automating customer service or dressing up the Pope. However, in the long term the potential applications will be limited only by human creativity and ingenuity, which will always be our trump card over the machines!

6. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

Build a niche expertise. I would tell myself to build a niche expertise by networking heavily within an area. Identifying that niche soon will help you achieve whatever you define as success.





Jack Meng

**Technological University of the Shannon
Asia Director**

EDUCATION

Jack Meng, Asia Director, Technological University of the Shannon (TUS). Jack manages TUS' Asia office to maintain existing links and explore new opportunities with Chinese and South-East Asian partners. Jack has personal experience of Irish education, having graduated from TUS with bachelor and master's degrees.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

The preceding year, 2023, proved to be a challenge marked by predictability, yet its suitability as a benchmark for subsequent years remained elusive. Following the Post-Pandemic landscape in 2023, a considerable number of students initially slated for overseas studies in 2020, 2021, and 2022 opted to depart from China in 2023. The looming question is whether this trend is poised to extend into 2024.

Examining the landscape of applications, comparing November 2023 to November 2022, we discern a positive trajectory, surpassing the preceding year. However, it is imperative to acknowledge that in November 2022, we were still navigating the concluding stages of the pandemic. Our strategic imperative is sustaining investment in the market, fostering alliances with agents and university collaborators, and amplifying our online presence through augmented social media exposure.

A noteworthy development lies in the augmented enthusiasm articulated by a majority of our university affiliates, particularly since September 2023. They have demonstrated a resolute commitment to forging connections with foreign partners, underpinned by comprehensive strategies, incentives, and Key Performance Indicators (KPIs) geared towards advancing and actualising internationalisation endeavours.

2. What initiatives do you see happening during the Year of the Dragon in your sector/company to enhance sustainability?

TUS and its Wuxi partner completed a campaign in November 2023 to encourage students to walk more on campus. Blended lecturing style has remained as part of the teaching method in the post-COVID era with all of the TUS joint programs in China.

Within TUS, sustainability initiatives include: encourage the use of sustainable transportation modes, including electric or hybrid vehicles; invest in the development of charging infrastructure for electric vehicles; provide education and training programs among employees about the culture of sustainability; and encourage eco-friendly practices in the workplace, such as reducing paper usage, and all of the TUS offer letters are in digital format.

3. Besides sector challenges, what are the biggest challenges you and your company face for 2024? How are you planning to address them?

UK universities consistently pose strong competition in our recruitment efforts in China. Additionally, Australian universities enjoy considerable popularity in the market. The primary challenge for Irish universities lies in the gradual and conservative evolution of the market. Our strategic approach involves continuous market segmentation, concentrating our limited resources on key markets to navigate this challenge effectively. This targeted focus could be the optimal path forward for us.

4. How has working life evolved for you over the last year since the end of COVID restrictions, and do you expect these changes to continue?

After a couple of years under COVID restrictions, the past year has been remarkable. Domestic travel fully resumed after the Chinese New Year. International travel and visa policies have been progressively improving each month. These positive shifts not only contribute to the growth of our business but also make life significantly more convenient and exhilarating.

With the existing government policies, I am optimistic that China will continue to open up further in the future. The economy is expected to rebound to its peak, displaying resilience and strength. The Chinese populace places a high value on education, and studying abroad remains a vital and enduring aspect of Chinese culture.



5. Do you see AI having an impact on your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

Certainly, artificial intelligence (AI) has become widespread and integral. In the realm of tertiary education, I believe it is imperative for us to lead the way in incorporating AI into our operations. In our daily work, where extensive writing is commonplace, AI stands as a valuable support. It would be surprising if various professions have not yet embraced its benefits. Data analytics has been a guiding force for us over the past few years, offering insights and direction annually. The potential for its more targeted and specific applications is foreseeable in the near future.

While I am not currently aware of any positions being replaced by AI, the rationale behind such a shift makes sense. However, what seems more evident is the creation of new positions in this era dominated by AI.

6. What do you think we'll be all taking about in January 2025?

Ideally, we'll steer clear of conflicts. Perhaps an AI-based pet dog could become a reality, and I'm genuinely excited about the prospect. The advent of autopilot cars in China has the potential to be a game-changer in 2025. Picture a three-hour fast train journey from Shanghai to Beijing.

In terms of our sector, the future might see a growing interest among students in study abroad programs with shorter durations but increased frequency. Additionally, a reduction in visa restrictions for Chinese students travelling or studying abroad could be a positive development on the horizon.

7. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

Maintain a healthy diet, ensure sufficient sleep, engage in regular and systematic exercise, read more books, and always remain humble towards both people and knowledge.



Patrick O'Riordan

**Enterprise Ireland
Director China**

GOVERNMENT AGENCY/INTERNATIONAL DEVELOPMENT

Enterprise Ireland works in partnership with world class Irish companies to accelerate their development in global markets thereby contributing to employment and economic value add in Ireland. Here in China, I lead a small team spread across three offices providing market entry and scaling supports to innovation rich Irish companies seeking to grow their exports to China.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

Notwithstanding slowing global growth and economic headwinds in China, we at Enterprise Ireland continue to be optimistic about the prospects for Irish companies heading into the Year of the Dragon. Ireland is one of the most globalized economies in Europe and as our largest trading partner in Asia, China continues to be a really important market for Irish business.

The innovation levels in Irish companies continues to rise which is an important factor in aiding international competitiveness and ultimately winning business in global markets. This coupled with rising ambition levels in Irish enterprise means that China continues to be a compelling market for experienced Irish exporters.

Looking at specific opportunities for Irish companies in China, we see the rapid growth of the Agri-tech sector being favorable for Irish companies who can deliver value add in respect of mechanization and productivity to China agricultural sector. In China's current 14th Five-Year Plan, China has set food security as an economic and political priority, to improve efficiencies and sustainability of its food production chain. In Ireland, there is an experienced cluster of agri-equipment and science-driven companies who have the expertise to provide innovative solutions which can aid food producers to improve their yields sustainably.

Tertiary Education linkages between Ireland and China continue to strengthen, providing further opportunities for collaboration in 2024. With a steady recovery in international mobility, Ireland remains a desirable study abroad destination for Chinese students. In fact, in 2023, we saw a record number of Chinese students travelling to Ireland, exceeding pre-pandemic highs in 2019. In

addition to its reputation for quality education, Ireland's unique status as an English-speaking country within the EU, its thriving industry linkages and valuable employment opportunities are key factors in its attraction to international students. Within China, Irish Higher Education Institutes continue to foster valuable partnerships with Chinese universities through transnational education, developing innovative programmes and teaching models to deliver quality Irish education to a growing cohort of students based in China, who qualify with international dual degrees.

Heading into 2024, the perennial challenges for Irish companies in China remain largely unchanged, such as complex regulatory pathways, ever-increasing internal capability and nuanced business culture. The opportunities in 2024 are best viewed at the individual and granular company level, favouring those with the capability to scale, strong understanding of the market in China and a commitment to innovation.

2. What initiatives do you see happening during the Year of the Dragon in your sector/company to enhance sustainability?

The Chinese government set out several binding targets around sustainability in the 14th Five-Year Plan. There is a strong commitment to peak carbon emissions by 2030 and to achieving carbon neutrality by 2060. There is a willingness in China to partner with international Greentech companies to speed up its energy transition, which will not only enhance China's sustainability ambitions, but also provide further opportunities to Irish companies of fit.

Niche offerings of Irish companies in IoT, sensor and grid management technologies, and international services are resonating in the China market and will continue to add value to China's ambitions.

3. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

Going into 2024, the global business landscape will continue to shift and there are key macro trends which Irish enterprise must continue to embrace.

Firstly, in the face of deepening environmental issues, reducing emissions and developing greener and more sustainable business models will continue to be imperative for Irish companies in 2024 and beyond.



Secondly, in order to keep pace with rapidly developing industries, the embedding of digital technologies will be crucial for Irish businesses in 2024. Digitalization can be challenging for companies, but it also brings significant opportunity, enabling companies to improve productivity and efficiencies, giving them a competitive edge. Successful adoption of digital technologies will also play a key role in companies achieving their sustainability goals, providing more transparency in areas such as energy usage and supply chain.

Irish industry will also need to navigate other prevalent global challenges such as skill shortages in key sectors, as well as the rising costs of doing business.

4. How has working life evolved for you over the last year since the end of COVID restrictions and do you expect these changes to continue?

The steady return of in-person engagement returning to China since the end of COVID restrictions has been a very welcome change. With commerce fundamentally being a people-based endeavor, the return of international travel has been key to establishing, nurturing and cementing business relationships.

Enterprise Ireland has recently moved into the new Ireland House in Shanghai, and we look forward to utilizing the new state-of-the-art multifunctional space to support our client companies throughout 2024.

5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

AI as an emerging technology is profoundly important for Enterprise Ireland and for Irish industry. The

challenge in embracing AI is to develop a strategic and practical implementation roadmap. A practical example of how we are implementing AI as an organization is in data analysis, ensuring alignment of resources to impact.

We see it changing the nature of employment rather than replacing workers.

6. What do you think we'll be all taking about in January 2025?

Things we believe we will be talking about in January 2025 are:

- The continued increase in two-way business and high-level visits between Ireland and China
- The value of proactive engagement with senior alumni across key metros of Beijing, Shanghai, Shenzhen & Hong Kong, providing a platform for strong relationships of reciprocal value.
- As a market that has the prize of scale for Irish companies, we expect to see more examples of scalable opportunities for Irish business coming to fruition in China.

7. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

Don't overthink the economic macro environment over which you have no control. China remains a massive economy and one that can yield rewarding results for Irish business.



Chong Wang

HASSELL
Studio Principal

DESIGN AND CONSTRUCTION



Isaac Lawless

VMware
Global Escalation Manager

TECHNOLOGY

Chong and Isaac were once classmates in Leuven, Belgium studying urban planning and design. After moving to China as urban design consultants in 2011, Chong went on to become Studio Principal at HASSELL. Isaac eventually transitioned industries into IT / cloud software becoming Global Escalation Manager for VMware.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

Chong:

I work in design and construction industry and it has undergone challenges and distress in the last 12-18 months. The challenges are really the over invested infrastructure and properties, and the opportunities lie in Built-to-rent apartments, Education and Science sectors and public open spaces; we also see more refurbishment and urban renewal opportunities to call for integrated design solutions for placemaking.

Isaac:

I work for a very large tech firm specialising in helping other large companies develop better software. For my company it's all about moving many of our products to a purely cloud / software-as-a-service offering. Our products help software developers at medium and large-scale companies develop their own apps much faster and more efficiently and securely; themes like managing cyber-security risk and incorporating AI tools into more products will also continue to be huge in 2024.

2. What initiatives do you see happening during the Year of the Dragon in your sector/company to enhance sustainability?

Chong:

The construction sector historically is a big contributor to our carbon footprint and global warming. We are very conscious of the impact we can make collectively. Sustainability is at the heart of what we do in designing places that people love. Several years ago my company committed to having zero-carbon operations by 2023, and it looks like we have achieved that now. We have embedded regenerative design into our design process in order to ensure all of our projects can achieve net-zero carbon by 2040. We have set a structure where each of the studio/region will have a Sustainability Champion to lead the related conversation and actions to ensure that we deliver what we commit to.

3. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

Chong:

AI is another theme constantly discussed in our company. As much as it may create some threat to replace some parts of what we do, we see it can enable us to test our creativity and help us communicate much quicker. We want to learn to use it and incorporate it into our day-to-day practices so we can have more time to design.



Isaac:

In 2024 many more day-to-day Generative AI tools will be available and used; we will be using a broader range of AI-driven apps and services, whether we know it or not. Google search now incorporates Bard and Gemini; LinkedIn's AI-generated content helps create posts for users. The internet has already become awash with content made by GenAI. Optimists say that AI tools will help free up more time for employees to engage in creative problem-solving. The jury is still out in my opinion, and while the horse has already bolted with the public release of ChatGPT last year, I think the new EU regulations on AI technology are a step in the right direction for slowing the horse down and allowing some guardrails to be considered.

4. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

Chong:

The challenge within our industry has also impacted our people; the working environment is tougher; most consulting engagements now done via competitive bids requiring a lot of upfront work to put the bid together; and clients want more for less. We are really now trying to say no to some of the opportunities and competitions that would make us seem like we are treading water. In these uncertain times, we want to stick to the most fundamental business principles, to secure better work and to look after our people.

Isaac:

My company (VMware) was recently bought out by another company (Broadcom), meaning we are now one of the largest tech companies in the world (that most people have never heard of). The business culture of our new owners is fundamentally different and the staff that have been kept on are still trying to adapt. We will be operating in a much leaner capacity with much higher revenue per employee expected. Apart from a radically new business culture, the vision for the division (modern apps) where I work is pivoting slightly to focusing on a different set of technologies, albeit with the same overarching goal of increasing developer productivity and reducing time to market for delivering cloud-based software at scale.

5. How has working life evolved for you over the last year since the end of COVID restrictions and do you expect these changes to continue?

Isaac:

I have enjoyed workplace flexibility for the past three years but the new owners of my company are enforcing a strict work from office policy with no exceptions. There is a focus on in-person collaboration and we are thus back to a more rigorous and I would say, disciplined, daily routine, where there is no escaping the alarm clock in the morning as I live very far away from my office. I am going to sorely miss the convenience of working from home but will do my best to use the commuting time wisely.

Chong:

One thing has been noticed is a lot of face to face meetings and interactions. I think people are making contact to make up for the lost years. This brings me hope that people are still craving for physical interactions, which means that creating nice places that people would like to hang out in, and spend time with others, is still important. We design places that people love, so there are still opportunities for us.

6. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

Isaac:

Don't sweat the small stuff; take each day at a time, but never forget that time is never going to be on your side. You will never have enough time to get all the things you want done; be grateful for the things you have and be proud of everything you have achieved to get where you are. Remember: you make your own luck. Just show up to things whenever you can and things will work out fine for you. It's chance encounters that make and shape our lives.

Chong:

Be more open and try different things when you are young and have the motivation and energy. We can't predict future so don't make a plan that is not adaptable.



Rowan Heaphy

**Mavinia Fashion
Consultant**

FASHION & BEAUTY

Rowan started his working life in Shanghai at a modelling agency and public relations firm, and has continued working in the events and fashion industries. His work at indigenous luxury brand Mavinia focuses on branding, fashion show production and events. He's a committee member for UCC's China Alumni Chapter as well as the Irish Chamber of Commerce China.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

Well to start, there's a growing demand for greater transparency throughout the fashion supply chain, ensuring fair labour practices, and of course responsible sourcing and ethical manufacturing. This has been a major challenge in the fashion industry globally, but something that has more recently been a topic of conversation. Utilising technology, such as blockchain, can help provide traceability and accountability, allowing consumers to make more informed decisions on what they buy.

The fashion industry has often been criticized for a lack of diversity and inclusion across its various aspects, including representation in advertising, runway shows and brand campaigns. I think brands need to make more of an effort to prioritize inclusivity, embrace diversity and authentic representation and try to promote equal opportunities regardless of race, gender or body size. There have been advances, mostly in Europe and North America, but it's starting to spread to Asia with brands such as Uniqlo, and hopefully we can try to replicate this more and more.

To address some of the overall challenges, collaboration among stakeholders is essential. I feel fashion brands, industry associations, government bodies, and consumers, should really be working together to drive sustainable innovation and to educate consumers about the importance of ethical and sustainable fashion choices. The reality is that most people are still guilty of "disposable fashion", and this is going to take a long time to wean people off. Additionally, creating a platform for open dialogue and knowledge-sharing, whether it be social media or other, can facilitate the exchange of best practices and encourage collective action across any industry, not just fashion.

2. What initiatives do you see happening during the Year of the Dragon in your sector to enhance sustainability?

There are quite a few initiatives that have been working towards increased sustainability in the fashion sector. More brands are adopting circular economy principles by designing products with a lot of focus on longevity, durability, and recyclability. This includes using recyclable materials, minimizing waste in production, and implementing take-back programmes, which has become hugely popular at grass-roots level here in Shanghai.

The slow fashion movement too, encourages consumers to buy fewer, higher-quality garments and to invest in timeless pieces that have a longer life cycle. It reminds me a lot of my grandmother, and people of her generation in a time when style was more fashionable than trends, would buy fewer items of clothing, but of a much higher quality. It's a tried and tested example of reducing overconsumption and promoting mindful purchasing decisions at the same time.

3. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

I think a lot of high-end brands have seen a bit of a pinch over the past 12 months, which is why a lot of companies are struggling at the moment. Some smaller companies that have been longing for the post-Covid recovery were met with a slow-down in consumer spending and, as a result, have been put out of business. People tend to be more cautious about spending money for high end goods, especially lower middle class consumers that have been tightening the purse strings. Many wealthy consumers, on the other hand, have been taking advantage of the resumption of international travel and the border reopening, with many travelling abroad to shop - leaving local brands and indigenous companies out of pocket. To address some of these issues, we've partnered up with a vast network of spas throughout China, in second and third-tier cities, to cross-promote products together. Spending more time on educating our clients on what to buy to best suit their body shape and the benefits of our products has helped with some of the challenges faced, while making stronger efforts to access markets via social media platforms has helped with brand exposure too.



4. How has working life evolved for you over the last year since the end of COVID restrictions and do you expect these changes to continue?

Working life has definitely evolved over the last year as a result of Covid. The pandemic accelerated trends such as remote work, virtual meetings, and use of digital collaboration tools, which perhaps wouldn't have come about without the reality of the past few years. Most of these changes have continued for my work even after the end of Covid restrictions, as my company and our suppliers/customers have discovered the benefits and flexibility offered by such arrangements, and I expect them to continue well into the future. More recently, the grand return of trade fairs and international visitors has been huge and has been a positive (although busy) effect on my working life. We're far from the levels of business travellers the city, and country used to receive pre-pandemic, but it has not even been a year yet since the full opening of borders so we can only expect this to take time.

5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

AI is definitely expected to have a huge impact on the sector in the coming years. Trend Analysis and Forecasting is a popular tool that many large fashion companies use, by having AI algorithms analyze vast amounts of data from social media, fashion blogs, runway shows, and sales patterns to identify emerging fashion trends. Companies can leverage this information to fine-tune their product offerings, optimise inventory management, and make data-driven decisions. In this respect, I see AI more as a tool that can help us save time with key elements of the industry such as design and marketing, not so much as a replacement, but as something that can enhance our abilities... for now, at least.

6. What do you think we'll be all taking about in January 2025?

Without consulting my oracle, probably a lot of what we're talking about now. Much of the issues we face at the moment will carry over for the next year or two, as will a lot of the new resources we have available to us. AI is going to feature more and more in the way we design, work, sell, and communicate with each other. For China, I think we're all curious as to how things will play out over the next few years... people are cautious with spending, but caution is also a residual hangover from the Covid/lockdown era, and stability and job security will incubate confidence in people's purchasing power.

7. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

I think, to walk into the new year with optimism. We've all had a long slog with Covid, where it was very difficult to see any light at the end of the tunnel, so by younger - I'm only going back two years. However, coming out of that tunnel (eventually) made me realise that there are a lot of possibilities and opportunities around us, and it had been difficult to keep that in mind, so to appreciate it at the coming of a new year is important. I don't tend to make resolutions, but to have a goal or two that I can try to work towards can keep me sane, which maybe I didn't have in my very recent younger days... and in the words of Patsy Stone, one can never have too many hats, gloves, and shoes.



Barry Colman

**Chief Consultant, APAC
GLAS B2B COMMUNICATIONS**

B2B MARKETING

GLAS B2B Communications is an independent collective of highly experienced specialists offering strategic, creative, digital and social solutions to companies looking to succeed in China and overseas.

Services include research, messaging, positioning, branding, creative ideation, content, design and ROI tracking.

1. What challenges and opportunities do you see for your sector in 2024? How are you planning to overcome/take advantage of them?

The word on the street is that this Year of the Dragon is going to be even more tough than the Year of the Rabbit, and when times get tough spend on marketing and advertising is one of the first line items on the master spread sheet to get cut to bring down costs.

2024 will be a fight...a fight for clients, for agencies, for creativity, for budgets, for fees, for efficiencies and, perhaps most importantly, for results.

However, I've learned from 30 years'+ experience here in China and in Asia that tough times offer new opportunities to take advantage of: lower media costs, less visibility from competitors, the opportunity to re-brand and stand for something new/better/different in a less cluttered market...and new customers. As these customers - and decisions makers - get younger, this new generation of socially aware people are actively searching for brands and partners that promise to help make a difference...to them personally, to their businesses and increasingly to their communities and the environment.

2. What initiatives do you see happening during the Year of the Dragon in your sector to enhance sustainability?

Many clients and customers are already making huge efforts to implement their global or local zero-carbon initiatives such as building carbon-neutral manufacturing facilities, sourcing carbon-friendly logistics and supply chain solutions and, from a B2B perspective, looking for OEMs manufacturing carbon-friendly 'ingredient' products...all allowing the customer brands to be able to claim an active approach to sustainability.

I've already had many clients ask if and how the advertising and marketing agencies can provide 'carbon-neutral' marketing solutions and campaigns, so that marketing can help companies also work towards these zero-carbon goals and deadlines. How to answer that? If you recommend a search-based marketing campaign, do you take into account the carbon-footprint of the search industry?

AI is exciting many people in my industry. In fact if you look back to trend reports from 2023, many thought leaders didn't even mention AI as a trend for 2023 as many reports had been written before November when ChatGPT kicked it all off. Many people either forget or don't know that AI as it is today has a HUGE carbon footprint, primarily generated by all the energy needed to keep the servers operating while the AI platforms are getting trained and the like.

Some reports state that generating one image using AI platforms produces the same amount of carbon as charging one smartphone. Other reports claim that once AI replaces humans in certain jobs the carbon footprint per robot will be considerably lowered.

So many in the industry, while embracing AI, are hoping that AI providers can soon provide clean-energy driven AI services so that we are not becoming the new problem.

3. Besides sector challenges, what's the biggest challenges you and your company face for 2024? How are you planning to address them?

2 things really:

'I Don't Need Your Help'.

Many brands have started to take the development of social content in-house and do it themselves. The danger with this is that they mainly end up talking 'at' people instead of engaging with people, which is how you get the best results from using social platforms as your main marketing platforms. And if they rely on AI-generated content then they may face the problem of the content becoming GENERIC...which to be fair is a problem we face already even with humans involved.

'We Can't Make Our Minds Up'

One of the trends that we saw in 2023 was a slowing down of the signing of new contracts. One new business lead I was working on, having been briefed in as 'urgent' took over ten months to decide if they wanted to go ahead with their campaigns and how

much to invest. These longer decision making processes, now including more key stakeholders from within the companies than before, make it challenging to plan team structures, keep good staff and at the end of the day offer the best consultancy fees to customers.

How to Address?

B2B = Back 2 Basics.

Again, from experience, I've observed that many companies during challenging economic times become much more risk averse and have the tendency of 'going back to basics' and making sure they are getting the marketing basics right.

We have a role to play in helping companies ensure they have the basics right by reviewing with them their mission statement, customer understanding, brand messaging and other elements of their marketing strategy.

4. How has working life evolved for you over the last year since the end of COVID restrictions and do you expect these changes to continue?

It's an ongoing argument: back to office or continue a flexible work-from-home approach. I believe that the push now will be to get people back in office full time. We're still holding meetings online which I expect to continue but the face-to-face meeting will pick up again.

One thing I do miss is the online webinars where you could join meetings, events and brainstorm sessions - even learn how to make pickles from an expert - and the like from the comfort of your own home.

5. Do you see AI having an impact in your sector in 2024? What is your company doing to address AI? Do you see AI as a tool, a resource or a replacement worker?

I am a big fan of AI. There is no doubt the future is an AI future, but every time I challenge people about 'the AI of today' I end up getting, sometimes quite seriously, criticised for not embracing new technologies, which I find a little unfair.

AI in my sector is being used by many companies for research and in-house brainstorming. Some companies are using AI to generate creative ideas and images. Other companies however are being more cautious on if and how they use AI mainly for three reasons:

- 1: The output of AI generated work has the potential to be factually inaccurate
- 2: the legalities of the IP is not clear - see the recent case of the New York Times suing OPEN AI (Microsoft) for copyright infringement
- 3: the feeling that AI generated content is beginning to feel and look 'generic'. - i.e. it's all the same which won't help brands differentiate which is the secret to success.

6. What do you think we'll be all taking about in January 2025?

Snakes....and the challenges and opportunities we will all be facing in light of a more mature and carbon-free AI environment.

7. What one piece of advice would you give your younger self at the beginning of this new Year of the Dragon?

READ MORE. WRITE MORE. SHARE MORE.



Bliain an Dragain
faoi mhaise daoibh



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