A Consideration of the Pullout of Foreign Retail Firms in China: The Case Example of Tesco in Qingdao City

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Summary

In this study, as a representative example of foreign firms having failed in their expansion into the retail market of Qingdao City, I analyze the case example of the pullout of the global retail firm Tesco. Amid competition intensifying among retail firms via Chinese and foreign capital, I take my research objective to be the ascertaining of the causes for that pullout.

In order to achieve this research objective, I utilize an empirical analysis research method based on field survey work and the construction of an analytical framework for the pullout, and I first review the previous research work relating to the pullout activity in the internationalization of the retail industry. Next, I consider the expansion process from Tesco's entry into the Qingdao City retail market up to their pullout. Then, while referring to existing analytical models, I analyze the causes for Tesco's pullout, and point out the limitations of the existing models.

[Translated by ERINA]