

# China and India: Opportunities and Threats for the Global Software Industry

JOHN McMANUS  
MINGZHI LI  
DEEPENDRA MOITRA



Chandos Publishing  
*Oxford · England*

---

# Contents

<i>List of figures</i>	<i>xi</i>
<i>List of tables</i>	<i>xiii</i>
<i>Acknowledgements</i>	<i>xv</i>
<i>Preface</i>	<i>xvii</i>
<i>About the authors</i>	<i>xix</i>
<b>1 The global software industry</b>	<b>1</b>
Introduction	1
Foreign direct investment (FDI)	5
FDI and labour markets	8
FDI and market growth	9
FDI in China	10
FDI in India	13
Conclusions	17
Notes	17
<b>2 China: a PESTEL analysis</b>	<b>19</b>
Introduction	19
Overview of China's software industry	21
China's software industry: a PESTEL analysis	23
Conclusions	34
Notes	34
<b>3 India: a PESTEL analysis</b>	<b>37</b>
Introduction	37
Overview of India's software industry	37
India's software industry: a PESTEL analysis	42

Conclusions	54
Notes	55
<b>4 China versus India – a SWOT perspective</b>	<b>57</b>
Introduction	57
SWOT analysis of China's software industry	57
Weaknesses	59
SWOT analysis of India's software industry	67
Conclusions	82
Further reading	83
Notes	83
<b>5 Segmentation within the global software industry</b>	<b>85</b>
Introduction	85
China: defining the markets	91
India: defining the markets	98
Conclusions	103
Notes	103
<b>6 Interrelationships in China and India's software industries</b>	<b>105</b>
Introduction	105
Interrelationships and horizontal strategies of software firms	106
Software clusters in China and India	115
Conclusions	121
Further reading	122
Notes	122
<b>7 Competitive position strategy</b>	<b>125</b>
Introduction	125
Competitive position strategy for the Chinese software industry	126
Competitive position strategy for the Indian software industry	133
Conclusions	145

Further reading	145
Notes	145
<b>8 Pursuing competitive strategies</b>	<b>147</b>
Introduction	147
Competitive advantage	149
Strategic focus: the case for China	156
Strategic focus: the case for India	160
Conclusions	162
Notes	162
<b>9 Marketing and customer-oriented strategies</b>	<b>165</b>
Introduction	165
Marketing strategy framework	165
Marketing and customer-oriented strategies for China and India	167
China and India – implications for the global software industry	175
Conclusions	176
<b>Index</b>	<b>179</b>