

USC SOL PRICE SCHOOL  
OF PUBLIC POLICY

2019

# DESTINATION DANZHAI:

## ADVANCING CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT



**USC**Price

Sol Price School of Public Policy



# USC SOL PRICE SCHOOL OF PUBLIC POLICY

## CHINA LAB MAY 2019

Prepared by the students of the University  
of Southern California Sol Price School of  
Public Policy China Lab 2019:

Eliza Blum, Colin Caprara, Justin Dewaele, Emily  
Hansen, Vera Huang, Yifan Jiang, Yilin Li, Songlin  
Liu, Chengcheng Mei, Joelle Montier, Wen Yao  
Mu, Chang Mu, Grace Persico, Bo-Sen Shao,  
Zhongyang Shao, Hongfeng Tao, Hana Wang,  
Samuel Worley, Ting Yu, Mingzhi Zhou

Led by Dr. Antonio Bento, Director  
USC Center for Sustainability Solutions

# ACKNOWLEDGEMENTS

The University of Southern California Sol Price School of Public Policy China Lab 2019 would like to thank the following experts for their insight and support during the formulation of this report:

Mingsheng Liu, Assistant to the President of Wanda Group & Head of the Corporate Culture Department

Zhuo Yang, Global Communication Manager

Jingjing Huang, Global Communications Deputy Manager, Corporate Culture Department

Fangfang Jiang, Danzhai Wanda Village Rotating Mayor Assistant

Fangyan Chen, Deputy Chairperson of Danzhai County's Political Consultative Conference

Ying Yu, Founder & CEO of VIMEMO

Dianxing Liu, Wanda Poverty Alleviation Tea Garden

Xueliang Yang, Kala Village Bird Cage Craftsman

Shixiu Zhang, Paimo Village Wax Dye & Tie Dye Craftswomen

Xinggui Liu, Photographer

Mingrui Li, Photographer

Chen Xiaojing, Vice President of Government Relations, Novartis

Environmental Defense Fund

Professor Hua Wang, Dean, School of Environment and Natural Resources, Renmin University of China

Extended thanks to the Wanda Group and People of Danzhai

# TABLE OF CONTENTS

1	EXECUTIVE SUMMARY
3	INTRODUCTION
6	BACKGROUND
14	RECOMMENDATIONS
38	OUTCOMES
45	CONCLUSION
46	REFERENCES





## 执行总结

2018年是中国乡村振兴元年，是中国实现2020全面脱贫目标的重要时间点，在这一年，运营仅仅一年的“丹寨万达小镇”实现游客量突破550万人次，中国乡村文旅样板级项目。“丹寨万达小镇”是万达集团在贵州丹寨推出的“企业包县，整县脱贫”创新扶贫项目中的中期项目。万达丹寨包县扶贫是在万达集团在包乡扶贫经验基础上的又一次扶贫创新，通过产业扶贫带动全县经济转型，实现丹寨全面脱贫。万达丹寨包县扶贫项目是集团践行企业社会责任的创举，呼应万达“共创财富，公益社会”的企业使命。

2019年，万达丹寨扶贫项目运行已有2年，整体扶贫项目和小镇发展来到了一个重要的转折期。如何在尊重和保护当地文化和脆弱生态环境的基础上，持续吸引中外游客、完善丹寨独立经济体结构成为亟需解决的问题。这份《深化企业社会责任践行，推动丹寨小镇可持续发展》报告由美国南加州大学普莱斯公共政策学院中国实验室的21位学生在安托尼奥·本托(Antonio M Bento)教授的指导下共同撰写，旨在帮助万达集团深化企业社会责任践行，推动丹寨小镇可持续发展，顺利渡过转折期。

在文献研究、案例分析、实地访谈考察的基础上，本报告从丹寨经济体需求侧、供给侧和公众参与三个方面提出一整套丹寨可持续发展建议，具体包括：

第一、深化旅游资源开发与转型。报告建议万达针对国内外旅游市场中的不同类型的游客类型设置不同的旅游路线。同时，提供多种区域内公共交通选择并优化旅游服务质量。

第二、创造可持续的需求机制。报告提出一系列优化线上和线下体验的实施方案，包括丹寨旅游导览微信小程序升级，丹寨万达小镇门户网站优化，以及开发丹寨护照打卡系统，以期推动游客从多方面了解和探索丹寨。

第三、商业素质与能力培养——小企业发展中心。利用商业孵化基地概念，整合和集中利用丹寨当地的金融、教育和技术资源，进一步将整个丹寨建设成一个独立的商业经济体。报告建议成立丹寨小企业发展中心，实施以下五个商业素质和能力培养项目：

- 1) 成立小微企业孵化器，鼓励创新和创业以及公司间商业合作；
- 2) 开展商业和电商技能培训工作坊，帮助当地商户扩大营业规模，同时最小化商业发展对环境和文化的干扰；
- 3) 开展实习项目，引导当地人才向社会企业流动；通过提供优质就业机会吸引年轻丹寨人返乡工作；
- 4) 建立小额借贷机制，为当地手工艺人提供自己支持，帮助实现商业计划，促进丹寨地区商业发展；以及
- 5) 实施环境友好评级系统，监督和促进当地企业实现绿色可持续发展。

第四、提高民众参与度，深化多方参与。报告建议在丹寨举行季度性的非正式多边会谈，由万达集团、丹寨县政府以及村寨代表一起洽谈关于当地的环境保护、经济发展和其他相关社会问题。我们相信，以上四条建议将从经济发展、家庭社会价值、环境保护和管理运营方面产生效益，例如：

- 提高生产要素使用率，降低废物废气排放；
- 提供更优质的教育和就业机会，召回在外工作的丹寨人；
- 保护当地苗族和侗族文化，促进文化遗产和手工艺传承；
- 保障小镇经营权在万达和当地政府之间“无缝”衔接；以及
- 加强商户与社区的环保意识，确保丹寨经济在环境承载力范围下发展。

最终，通过生产要素在供给链的循环使用以及人智力资源在学校与商户之间的自由流动，我们希望能够巩固丹寨的循环经济模式，实现最大程度上的资源可持续使用，帮助丹寨小镇和万达顺利渡过发展转折期，实现丹寨独立蓬勃发展。



# EXECUTIVE SUMMARY

This report details the research, analysis, and recommendations of students from the University of Southern California's Sol Price School of Public Policy International Lab in China. In an effort to generate an all-around understanding of Wanda Danzhai Project, 21 Master's students spent the Spring semester conducting desktop research and literature reviews on theories and case studies for promoting sustainable development in the format of corporate social responsibility and public-private partnership programs. Later, in May of 2019, these students traveled to Beijing to meet with businesses, NGOs, and academic experts to learn about best practices employed by different sectors in environmental monitoring and enforcement, and recent researches on public disclosure and civic engagement in the Chinese context.

After the site visits, the group traveled to Danzhai for a first-hand observation of current operations of Wanda Danzhai Poverty Alleviation Project from the perspective of eco-tourism, social entrepreneurship, local higher education, and cultural preservation. Once in the region, students conducted interviews with residents, local business owners, and tourists to broaden their practical understanding of Wanda's operations, and thereby identifying areas for future improvement. These site visits and immersive experiences in Danzhai Wanda Village ("the Village") and surrounding areas culminated in our comprehensive package of recommendations for Wanda. The recommendations aim to boost the sustainable development of Danzhai and advance Wanda's corporate social responsibility.



The recommendations encompass both the demand and supply side of the Danzhai economy, with proposals for entrepreneurship capacity building, and a community stakeholder dialogue mechanism.

First, we recommend that Wanda use an intermarket segmentation strategy to target specific tourist profiles with tailored tourism packages, increase access to public transit operations, and improve service quality to not only attract new tourists but encourage re-visitation.

Second, we recommend modifications to the online and offline experience, including an upgraded WeChat Mini Program, a portal website for all attractions and businesses, and the creation of a Danzhai Passport Program to not only encourage diverse exploration of the region but also funnel tourists into stores upon their return to the Village.

Third, we recommend five mechanisms for capacity building in the region, including:

- 1) A small business incubator to encourage local innovation and cross-company collaboration,
- 2) Training workshops for a wide range of business skills and e-commerce to equip businesses with skills to scale up operations without negatively impacting the environment or authenticity of their product,
- 3) An apprenticeship program to funnel local talents into social enterprises, incentivize young residents to remain in the region, and take advantage of Wanda's education outputs,
- 4) A microlending scheme to expand access to capital under an implementation system of cross guarantees, and
- 5) An environmental rating system to incentivize greening of Danzhai business and production systems.

Fourth, we recommend that Wanda take the lead in promoting civic engagement to lay the operational foundation for the eventual withdrawal out of the region. To implement this recommendation, Wanda is suggested to help launch informal, quarterly meetings between community members, business owners, Wanda employees, and government officials. These meetings can adopt Professor Wang's (2011) Community Stakeholder Dialogue Program as a model, adapting its process to meet the unique demands of each conversation.

After the recommendations, we highlight the both immediate and long-term benefits of implementation from the perspectives of economic development, value to families and society, environmental protection, and a smooth transition of management between Wanda and local government. To name a few, these impacts include improvement of the efficiency of inputs, provision of educational opportunities, incentivization of family retention, preservation of local Miao and Dong culture, and establishment of sustainability incentives and safeguards. As a result, by utilizing outputs of social enterprises as the inputs of others and catalyzing the transformation of educational outputs into intellectual inputs for local businesses, we hope that the Circular Economy (CE) in Danzhai will be enhanced that ultimately drives its own future prosperity without continued support from the Wanda Group.



# INTRODUCTION

---

This report is a culmination of the USC Sol Price School of Public Policy China International Lab course. The group visited Beijing in May of 2019 to provide consulting services to the Wanda Group's ("Wanda") Danzhai Village Poverty Alleviation Project. During the first week in Beijing students met with officials from Wanda as well as several other NGOs, corporations and think tanks to help provide context to environmental issues, corporate social responsibility initiatives, and the context of working in China.

The first visit was to Novartis, a Swedish pharmaceutical company with an office in Beijing. Visiting Novartis gave students a chance to learn about effective Corporate Social Responsibility (CSR) projects. Novartis has for years been involved in CSR projects working with a third-party NGO, the Azalea Foundation in Liangshan, China. This foundation had been working in the region for years and understood the local community, thus was able to direct Novartis' projects in the region towards the areas that would be most effective. Novartis created a school in the rural impoverished region and incentivized families to send their children there by providing meals to every student. The Azalea Foundation helped Novartis understand the priorities of the region and helped turn the project into a success. This site visit to the Novartis office helped students understand the importance of gaining local context before beginning any CSR project. It also demonstrated for the students an effective public-private partnership for rural poverty alleviation.



Students then visited the Environmental Defense Fund (EDF). The EDF runs a variety of environmental improvement projects across China and throughout the world. There, students learned about general environmental trends throughout the country and about the importance of hyperlocal and mobile air pollution monitoring.

A visit to the Beijing Exhibition Hall gave students insight into the City of Beijing's future urban development plans. Students learned that the focus for the future will be on building "satellite cities" to reduce pollution and congestion in China's major cities.

One of the most influential meetings the students had in the first week was a lecture from Professor Hua Wang at Renmin University. Professor Wang is a leading environmentalist in China and his lecture provided the historical context of environmental policy throughout China. Furthermore, students learned about the community dialogues he created throughout the country that led to greater environmental awareness in many regions.

The group also met with an official from Wanda who shared some of the successes and challenges they have experienced in the Wanda Danzhai Village Poverty Alleviation Project. The town that Wanda built in the Danzhai region presents an innovative model for rural poverty alleviation. Local handicrafts-people were given businesses to run in the Village, rather than cash subsidies. The students learned that some of Wanda's initial challenges were creating buy-in with the local community. Students also learned about Wanda's priorities for the region: Attracting eight million domestic and international tourists per year, and ensuring the sustainability of the Village once Wanda transfers control to the local government officials in the next few years.

After meetings in Beijing, the group took a trip to the Village to gain on-the-ground experience and better understand the local context. In Danzhai students visited several of the businesses that Wanda supports, as well as workshops that produce signature regional products. They visited the Poverty Alleviation Tea Garden, an indigo tie-dyeing workshop, a vocational college and a birdcage workshop. These visits exemplified the local talent and helped students understand where barriers to continued success lie in the current model.

Upon returning to Beijing, the students debriefed their visits and broke into subgroups regarding each of the important topics that arose: economic stability, environmental concerns, and community engagement. Next, the group conducted literature reviews on each topic and reflected on meetings with each of the organizations they previously visited.

A final visit to the World Resources Institute in the second week gave students insight into China's focus on the circular economy and environmental improvement efforts already underway. This visit helped students finetune the structure of their report and the ultimate goal they would propose for the Village: A transition to a circular economy model.

Given Wanda's priorities and the students' visits with these organizations, the group came to a set of recommendations and the outcomes that would follow from each. Those recommendations are:

- 1) An intermarket segmentation strategy to attract a wide range of tourists from both domestic and international markets.
- 2) Improvements to both online and offline service offerings throughout the Village to improve customer service and increase demand for local products.
- 3) Five mechanisms for local business capacity building to ensure the long-term success of the project.
- 4) Implementing community dialogues that will strengthen partnerships between local residents and local government officials when Wanda leaves the Village.

The report that follows will present further details regarding the background of the area and the project itself, recommendation and implementation steps, and outcomes.





# BACKGROUND

---

Danzhai is a county located in the southeast of Guizhou Province, China. Danzhai is a relatively small county spanning a total of 940 square kilometers with an estimated population of 174,000, which governs four towns, two villages, one provincial economic development zone, and one provincial agricultural park (County Government, 2019). The mountainous, polytrophic terrain provides Danzhai with natural landscape equipped with diversified agriculture and beautiful scenery. It is also famous for its many tourist attractions. The Longquan Mountain, Maobiling Forest, the Stone Bridge, and Chiyou Cultural Park are some of the key scenic attractions.

Danzhai is a multi-ethnic region with 21 ethnic groups living together, including the largest ethnic groups, Miao (about 78%), Dong, Shui, and Buyi (County Government, 2019). Complex demographics, integrated with the cultures of Duliu and Qingshui River areas, give Danzhai a long history of rich cultural heritage. Danzhai encompasses seven national, eight provincial, and 25 state-level types of cultural handicrafts. These include Miao batik (indigo tie-dyeing), an ancient-papermaking technique, Miao caragana dance, Miao festival, Miao costumes, and Miao musical instruments (County Government, 2019).



Nationally, Danzhai is known as "the hometown of Chinese" batik art, brocade culture, birdcages, and ancient papermaking (County Government, 2019). Danzhai county is one of the most important scenic spots in the Eastern portion of Guizhou Province because of its beautiful natural landscapes and rich tourist sites (County Government, 2019).

### **Status Quo of Poverty Levels Danzhai County**

Danzhai County is one of the most impoverished counties in Qiandongnan area, which is one of the eleven concentrated contiguous areas with extensive poverty in China (Shi & He, 2016). In 2013, the national per capita income in rural areas was 10,772 yuan, while the per capita income in Danzhai county was only 5,134 yuan (Shi & He, 2016). 51,311 people in the region were designated as poor in 2016 (Shi & He, 2016). In comparison, the 2015 national poverty standard was 2,800 yuan, under which China has 82 million people designated as poor; with a poverty rate of 5.85%.

The poverty situation in the countryside has various causes. First, from the perspective of labor factors, households are poor because their families lack full employment due to illness, disability, and children going to school (Zhou & Wang, 2016). The most important industry in poor rural areas is agriculture, which requires land and water resources (Zhou & Wang, 2016). Guizhou province is the only province in China without any plains on the landscape. Therefore, rural land resources are relatively scarce, and most of them are hilly and mountainous, which is not conducive to large-scale mechanized farming (Shi & He, 2016). Statistically, the number of people in poverty caused by the shortage of agricultural land accounted for 2.8% of the population (Shi & He, 2016).

In addition, a restrictive factor in the maximization of rural resources in poor areas is accessible transportation routes (Zhou & Wang, 2016). In Guizhou Province, many beautiful natural landscapes and cultural resources with profound cultural deposits, are inaccessible due to inconvenient transportation. The development of tourism and agricultural production lags without accessibility (Shi & He, 2016). According to statistics from Danzhai County, the number of poor people affected by transportation conditions account for 3.5% of the total poor population (Shi & He, 2016).

Finally, the financial situation is also a significant cause of people becoming trapped in cycles of poverty and dependence. If the current income of poor households is barely able to maintain a basic living standard, their ability to save for start-up funds that can change their existing living conditions and achieve wealth is weak (Zhou & Wang, 2016). In Guizhou Province, 30% of poor households surveyed said they were driven to poverty mainly by a lack of development funds (Shi & He, 2016). Therefore, poor households desperately need access to enterprise funds to get out of poverty.

## The Wanda Group

The Wanda Group (or “Wanda”) was founded in 1988 by Chinese billionaire Wang Jianlin. It is now a Chinese multinational conglomerate based in Beijing, China. The company is a private property developer and invests across several industries including construction, entertainment, media, technology, hospitality, and healthcare. Their annual revenue is approximately \$40 billion (Wanda Group, 2019). Wanda has a broad range of business ventures that operate in four main contexts: Commercial and Management Group, the Cultural Industry Group, the Real Estate Group, and the Investment Group. The Commercial and Management Group operates 283 Wanda Plazas throughout the country. These plazas are comprised of shopping malls, hotels, restaurants, bars, and apartments.

Wanda is also well known for their corporate social responsibility branch (CSR). With the mission of “charitable wealth, common prosperity,” Wanda started charitable donations in 1990 and has donated more than six billion yuan, making it one of the biggest private donors in China (Wanda Group, 2019). Wanda has created 202,000 new jobs in the service sector as of 2018, accounting for 1.5% of all new jobs created nationally that year (Wanda Group, 2019). In terms of environmental sustainability, Wanda is one of the first adopters of sustainable building practices and has the greenest building certificates in China. Wanda also provides entrepreneurship assistance to college students by providing investment funding and business consulting.

## The Danzhai Poverty Alleviation Project

To fulfill their CSR goals, Wanda became the first corporation in China to implement a new strategy to combat poverty alleviation called “Enterprise Sponsored County-wide Comprehensive Poverty Alleviation”. Before “Enterprise Sponsored County-wide Comprehensive Poverty Alleviation” was published, there were several poverty alleviation programs that had already been implemented which failed by lacking overall arrangements. For example, the black pig stock-raising in Danzhai implemented by Wanda failed in 2013. The program failed because of lack of market development; the enterprise of the pig farm had deficits every year. (Tang, 2017, p.33) In order to build up an effective poverty alleviation strategy, Wanda began building linkages between various industries. Wanda decided the tourism-based approach to poverty alleviation would be the most effective. The tourism-based approach attempted to widen micro-business engagement with tourism enterprises, which would stimulate the local economy (Weibing Zhao, 2009, p.1). With the intervention of the Village, it enhanced the tourism demand, which aided the local economy and increased the employment opportunities in Danzhai.

A pilot program to test this new strategy began in Danzhai county in 2017 (Chen and Wang, 2017). When Wanda began the pilot program, there were over three-thousand households under the poverty line out of 47,799 total households, making Danzhai one of the poorest regions in China in 2013 (Wanda Group, 2014). The concept of “an enterprise sponsoring a whole county” came from Jianlin Wang, CEO of Wanda. Rather than give cash subsidies to residents, as is common in poverty-alleviation tactics in China, Wang wanted to give the people of Danzhai skills that would foster their ability to become self-sustaining and move them out of poverty. Wanda was able to create a new market to increase demand for the local handicrafts and culture the region is famous for.



Wanda also implemented three new programs in Danzhai: tea farming, a vocational college, and Wanda Danzhai Village (the Village).

### *Tea farming*

Tea farming has been a popular enterprise in the Danzhai region for several hundred years. Wanda worked with a local tea company to create a tourist experience out of an already existing industry. They provided investment funds that helped create a tea farm where visitors can pick their own tea leaves, a factory where visitors can help make tea, and an increased market for the finished product in the form of a tea shop in the Village. At the tea farm, visitors are also able to "adopt" a row of tea trees for 490 yuan per year and receive a kilogram of tea in return. These options engaged the visitors with the farm and helped provide sustainable demand for the tea farm. With the support by Wanda, it brought benefits to both the tea enterprise and residents by providing more local employment and increasing sales. It encourages women who have moved to other regions for employment to come back, which solves not only the local employment issue but also the societal problem of women leaving their families.

### *Guizhou Wanda Career Technical College*

Guizhou Wanda Vocational College ("Vocational College") covers an area of 200,000 square meters and can accommodate 3,000 students. Currently, the college offers three majors, nursing, accounting and tourism management (personal communication, 25 May 2019). The Vocational College currently has enrolled 404 first-year students and plans to enroll over two thousand students within the next three years. Over the course of the programs, Wanda has also promised to provide the students employment opportunities, and a chance for the highest performing students a position with Wanda (personal communication, 25 May 2019). The Vocational College provides a direct intellectual support to promote the economic and social development of Danzhai long term by preparing the local community with jobs and training for the modern job markets (Dai and Yang, 2017).

### *Wanda Danzhai Village*

The Wanda Danzhai Village ("the Village") is a comprehensive commercial complex located on the East lake of Longquan Village, Danzhai County, covering an area over 266 million square meters. The Village aims to provide numerous activities from restaurants, shops, entertainment, and education. Construction of the Village began in May 2016. The building style of the Village features Miao architecture along the 1.5 kilometers-long shopping streets, three workshops including birdcage creation, papermaking, and batik. It had four squares named after local cultural elements and a 3000-meter-long track around the lake. The Village serves as a platform to show visitors all kinds of heritage in Danzhai, as well as Miao handicraft, Miao cuisine, Miao medicine.

### *Special Poverty Alleviation Fund*

Wanda established a special 500-million-yuan poverty alleviation fund for the Danzhai region. Under the supervision and financial management of Wanda's professional investment agency, the region is set to generate an annual guaranteed income of 50 million yuan within the next ten years (personal communication, 25 May 2019). The revenue is to be distributed amongst the 10,000 orphans, disabled, and seriously ill

community members who are unable to benefit from the industrial development in the region (personal communication, 25 May 2019). In 2016, the fund allocated roughly 1,224 yuan to over 30,000 people who are most at risk (Tang, 2017). The poverty alleviation fund demonstrates a successful short-term measure to tackle the poverty issue in the region (Tang, 2017).

### *Future of the Danzhai Wanda Project*

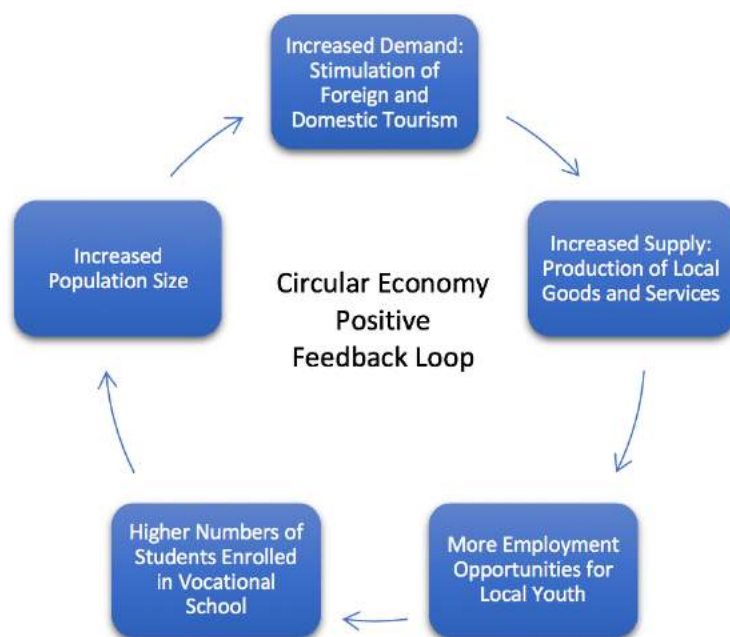
After all parties' efforts, the construction of Danzhai Village was completed in one year and officially opened in 2017 (County Government, 2018). Since then, tourism has continued to boom, with the total number of tourists reaching more than 3 million in the year, up 243.1% year by year (County Government, 2018). The comprehensive tourism revenue is expected to reach 2.5 billion yuan, up by 356.2% year by year, and the added value of the tertiary industry will increase to 54.3% of the GDP (County Government, 2019).

Through these discussed efforts above, poverty has been reduced among low-income households after two years of implementation of the Danzhai Wanda Project (County Government, 2019). Both the local government and Wanda should consider strategies for ensuring residents remain out of poverty in the future as Wanda Group transitions away from a hands-on approach in the region. There will likely be changes in the subsidies provided to the village, local businesses, and residents while Wanda transition away. Therefore, several critical areas will need to be addressed prior to the transition to ensure continued success in Danzhai. This includes ensuring that local businesses can run independently and that there are policies in place to preserve local culture and the health of the environment as tourism steadily increases.



### **Circular Economy**

The recommendations we will present help to establish a closed economic system in Danzhai, where all outputs of production can be linked to inputs (see Figure 1). This concept is known internationally as a "circular economy" and was first modeled from ecological life cycles and later applied to economics to reduce consumption, reuse resources, and prevent waste. Wanda's emphasis on a circular economy has the potential to gain recognition from the Chinese Government, which has also become increasingly focused on this model in recent years. In Xi Jinping's report at the 19th CPC National Congress, he highlighted the government's emphasis on "building an ecological civilization" in China with a circular economic structure to facilitate green development in the nation (Jinping, 2017). His statements reflect the relevance of the circular economy in the Chinese context and how this outcome can benefit Danzhai's reputation both nationally and abroad.



**Figure 1:** Sustaining Supply and Demand

### *History of the Circular Economy in China*

In the early 1970's, China's economy was in a state of rapid growth after their transition from a "planned economy" to one fueled by foreign trade and investment (Yuan, 2006). This market-driven approach led to economic prosperity but also resulted in an endangerment of natural resources. Therefore, in 2002 the Chinese Government promised to secure economic and sustainable prosperity by the year 2020 through the implementation of a circular economy, a concept which originated roughly thirty years prior from the "industrial ecology paradigm, building on the notion of loop-closing emphasized in German and Swedish environmental policy" (Yuan, 2006, p. 4).

While this concept employs the common practices of reducing consumption, reusing materials, and recycling waste, China has begun to develop the structure of its industry, economy, and public policies to fully embody the circular economy. In this sense, the circular economy in China refers less to the reduction of waste and more to the maximization of economic efficiency and sustainable development. Circular economies have been implemented by several states in the European Union and have demonstrated that this type of structure can improve the utilization of idle capacity, optimize the use of finite resources, and lead to less outsourcing of jobs (Ellen MacArthur Foundation, 2019).

### *Potential for a Circular Economy in Danzhai*

By implementing a circular economy in Danzhai, Wanda Group can maximize efficiency of all economic inputs and begin to reuse generated outputs or waste. This can aid in the transition to a more sustainable model of development in the region. The World Economic Forum (2014) estimates that the potential cost savings for businesses of implementing the circular economy is \$1 trillion annually. The three most significant barriers to success are: 1) the geographic dispersion of supply chains, 2) the complexity of industrial materials and 3) linear economy lock-in (WEF, 2014). Danzhai Wanda Village can provide a suitable geography for overcoming these obstacles given the locality of the supply chain, the relative simplicity of materials, and flexibility for new economic developments.

The Village has already succeeded in creating a market for poverty alleviation in the region. By increasing demand through tourism, the Village stimulates increased production of local goods and agriculture to adequately supply local businesses. Continuing the cycle, residents and regional tourists travel to Danzhai to consume traditional goods and observe the local culture. This positive feedback loop provides a model for economic revitalization that allows individual businesses to become their own vehicles for prosperity (see Figure 1). However, not all outputs of economic endeavors in Danzhai feed into others and therefore, potential fuel for economic development gets squandered.



### Future Target for Poverty Alleviation in Danzhai

According to the 5-year goal of the government of Danzhai County issued in 2016, by 2018 Danzhai will exceed the poverty threshold, reducing the number of people in poverty by 21,300 and achieve per capita disposable income above 8000 yuan. By 2020, per capita disposable income will exceed 12,000 yuan, and the whole county will reach a standard of all-round prosperity (County Government, 2017). Given that Danzhai has achieved such success in poverty alleviation, Wanda should be planning a smooth transition between Wanda and local government. The goal of our report is to provide strategies for Wanda to ensure a smooth transition out of the region when the time comes for them to withdraw. By implementing our recommendations and establishing a circular economy, Wanda can help Danzhai achieve economic, social, environmental and operational benefits, and ensure long-term sustainability.



# RECOMMENDATION 1:

## INCREASE TOURISM

### Introduction

An increase in domestic and foreign tourism will provide an engine for Danzhai County's economy to flourish. In order to attract additional tourism, we recommend that Wanda utilize the strategy of intermarket segmentation to identify different types of potential domestic and international tourists. After discerning these prospective consumers, customized partnerships and promotions should be established to further encourage those specified tourists visit Danzhai. Finally, we propose travel and service quality improvements to ensure the satisfaction and retention of these visitors.

### IMPLEMENTATION I: TARGET POTENTIAL CONSUMERS WITH A SEGMENTED APPROACH

### Background

To apply the intermarket segmentation strategy to increase tourism in Danzhai requires dividing consumer offerings into “segments” or groups based on interest-specific categories which are abundant in the Village. These interests may include: tea, fashion, decor (e.g. bird cages designed for interior and exterior use), unique cultural products, and scenic excursions. The potential consumers who fall into these categories based on their interest(s) can then be further segmented by behavioral factors (buying habits, motivation, etc.), demographics (age), and geography (Tkaczynski, 2009).

## Execution Strategies

1. Identify New Tourist Groups - Based on the above conceptual framework and the existing tourism offerings in Danzhai, we anticipate that the following types of tourists will make up a representative sample of potential visitors: populations from mega-cities and international tourists traveling from far distances ("long-journey travelers") (Shahrin, etc., 2014).
2. Target Domestic Tourist Groups - Due to their strong purchasing power, Wanda should target tourists from mega-cities in China. The average consumption capacity of domestic tourists from the largest cities in China (Beijing, Shanghai, Guangzhou, Shenzhen) is 3600-5000 RMB, significantly more than that of Guizhou tourists which is less than 1000 RMB (Zhiyan Consulting, 2017). Additionally, student observations and interviews with local business owners and residents in Danzhai illustrate that the elderly account for a relatively large proportion of current tourist groups in Danzhai, so Wanda should diversify the market by attracting younger tourists (Personal Communication, May 25, 2019). These younger domestic travelers typically gravitate towards more environmental activities like hiking, rafting, swimming, camping, and exploring the natural landscape (Topic Group of China Tourist Future Study, 2011).
3. Target International Tourist Groups - Based on the intermarket segmentation strategy, we anticipate foreign tourists can be divided into distinct categories; the first are passionate about their interest category, high-income spenders and between the ages of 50 - 70. The second category is comprised of millennials who enjoy traveling to remote destinations and now make up more than \$180 billion in annual tourism revenue globally (UNWTO, 2012). Both segments are likely to be comprised of "long-journey travelers" traveling inter-regionally in China and/or Asia.

## IMPLEMENTATION II: PROMOTE TO DOMESTIC TRAVELERS

### Background

To engage and properly target the proposed domestic groups of tourists, we recommend that Wanda use the strategy of differentiated marketing by targeting multiple "segments" with customized travel packages that appeal to each specific segment (Goldsmith & Tsiotsou, 2012). These travel packages should provide a customized itinerary based on interest category, length of visit, and price point while simultaneously creating a more convenient travel experience.

### Execution Strategies

- 1) The Culture & History Travel Package - Tourists from large cities in China prefer sightseeing tours and the spiritual satisfaction that result from experiences rich in regional culture and history (Topic Group of China Tourist Future Study, 2011). Accordingly, routes for this target group should include activities based on culture and history, such as batik wax dyeing, tea picking, birdcage making and papermaking.
- 2) The Natural Experience Travel Package - Since most young tourists are adventurous and enjoy natural activities (Topic Group of China Tourist Future Study, 2011), a combination of experiential tourism and natural landscape is recommended. This package should include hiking tours and the adventure attractions such as the huge swing and glass bridge in the Village.
- 3) Seasonal Tour Routes - Danzhai can also develop a series of characteristic tourist routes according to diversified needs and local features. Developing seasonal tour routes enables tourists to appreciate the natural scenery of different seasons in Danzhai and fully display the beautiful natural scenery of the region, such as the cherry blossom tour route in spring and the maple leaf tour route in autumn in Japan (Chen, 2007).
- 4) Potential Film Tour Routes - Danzhai can develop a film and TV show tourism route by being a filming location. For example, the domestic TV show "Where Are We Going, Dad" captured the scenes of star dads taking their children to live in some rural villages, such as Xinye Old Village in Zhejiang Province and Snow Town in Harbin. The TV program displayed the beautiful scenery, simple rural lifestyle, and local culture, attracting a significant number of tourists to each town (Chen, Luo & Guo, 2017).

## IMPLEMENTATION III: ADVERTISE TO INTERNATIONAL TRAVELERS

### Background

In order to effectively market Danzhai to international travelers, it is critical that Wanda invest in ways to create awareness of the county and its offerings. In addition to digital strategies for establishing awareness, we propose creating customized offerings designed to appeal to tourists' preferences for a unique and convenient travel experience.

### Execution Strategies

- 1) Advertise by interest: Use the specific interests of Danzhai to purchase paid media (online advertising) targeting tourists planning trips to China that also fall within the outlined behavioral, demographic and geographic group. For instance, a tea enthusiast browsing flights to China should receive customized advertisements for Danzhai to drive awareness of the county's tea offerings and tour options.



- 2) Partner with hostels in neighboring cities: We recommend developing partnerships with hostels and hotels in the nearest city, Guiyang, and other neighboring cities. By partnering with these businesses, Wanda can attract millennial backpackers by offering convenient day trips to the Village.
- 3) Promote as a Regional Traveler Destination - According to research from the China Tourism Academy (2015), the travel time of tourists in Guizhou and Yunnan Province has increased by 36% and 5.19% respectively from 2010 to 2015. For long-journey-travel tourists who would travel to multiple places or take long trips, Danzhai should cooperate with other regions to market itself as a destination along intraregional and inter-regional tourism routes. For example, Danzhai can become one of the potential scenic spots of the tour routes in Guizhou province, which could be combined with some popular scenic spots such as Huangguoshu Waterfall and Thousand Miao Households to increase the number of tourists in Danzhai.

## IMPLEMENTATION IV: IMPROVE POTENTIAL FOR SATISFACTION AND RETENTION OF TOURISTS

### Background

Following the identification and successful targeting of potential international tourists as outlined above, the stakeholder theory can be used for the creation of a sustainable tourism plan for the Village (Chin & Lo, 2017). According to this model, supply and demand stakeholders should be identified. In the case of the Village, supply stakeholders include Wanda, the local government, entrepreneurs, and residents; while demand stakeholders are both domestic and international tourists.

Service quality theory maintains that the comparison of customer expectations with the reality of their experiences conveys the most important information regarding demand stakeholder satisfaction (Chin & Lo, 2017). Chin and Lo's categorization of service attributes (as cited in Williams & Zigli, 1987, p. 14) are divided into "tangible (e.g. infrastructure and applied technologies)" and "intangible attributes (such as security, convenience, friendliness, and competence)". Quality of services directly affects consumer loyalty, intent to revisit, and motivation to provide word of mouth referrals in addition to being positively correlated with a rural tourism destination's likelihood for success (Chin & Lo, 2017). As such, it is critical that Wanda factor quality of service into their overall marketing strategy for the Village.

Chin and Lo's (2017) study identified climate change as the most important factor influencing service quality, followed by relaxation environment and community support. When visiting a rural destination, tourists tend to be concerned about their environmental impact and prefer that the local services ensure efficient use of resources and practice conservation to lower the contribution to environmental degradation.

According to the China Tourism Academy (2014), tourist satisfaction is higher in regions of China which not only carry out rich and diverse tourism activities, but also supply high-

quality tourist services, including infrastructure, tourist traffic, tourism information sharing, and safety management. At the same time, domestic tourists are sensitive to the overall environment of the destination, including urban construction sites, air quality, urban safety issues, price level, and local citizen behaviors. In addition, the research shows that tourists prefer cities with significant civic engagement and cooperation between public and private sectors to successfully enhance the satisfaction of tourists. This is because the complaints and feedback from tourists can be well communicated and effectively solved in these areas (China Tourism Academy, 2014).

### Execution Strategies:

- 1) Create Accessible Travel - Convenience improves service-quality according to relevant theory (Chin & Lo, 2017); therefore, we propose Wanda provide a more convenient travel experience to increase the likelihood of tourists choosing Danzhai (Ling et al., 2013). This might include facilitating the preparation of travel schedules before travel, convenient travel facilities and services during travel, and necessary post-travel services. Electric Vehicle (EV) tour shuttles should be established between different scenic spots in Danzhai to improve transportation within the area and alleviate the environmental pressure caused by increased private car use (Zhao & Li, 2017). In addition, we recommend instructional signs in different languages to attract and satisfy the experience for customers from different countries.
- 2) Improve Quality of Services – There are several actions Wanda can take to improve the quality of services offered in three main areas: the environment, relaxation, and community.

**Environment:** In addition to encouraging bus travel within Danzhai, efficient use of natural resources and conservation strategies should be incorporated to minimize negative impacts on the environment. To mitigate transportation emissions from those traveling to the Village, Wanda should promote bus and shuttle use instead of individual tourist families travelling on their own. Zhao and Li (2018) show that 37% of people within 300km of the Village will drive themselves, creating more emissions on a short trip that could be achieved with a high-occupancy passenger vehicle. We also recommend that the construction of tourist facilities is coordinated with the natural landscape, to formulate appropriate tourist flow, and to avoid the destruction of natural ecosystems due to improper design of tourist routes. A proper ecotourism industry involves linking economic gains to the community's ability to act as stewards of the local environment. This can promote a marketable theme of environmental protection to all incoming tourists while closing the overall systems loop through conservation.

**Relaxation:** Creating an environment where tourists can escape from their routine is another critical element in designing a successful tourism experience (Chin & Lo, 2017). To implement this, Wanda should develop a series of segmented tourism routes which satisfy tourists' diverse interests such as tea and rice wine tasting, traditional dyeing, and bird cage making. In this sense, tourists are not forced into tour groups that diverge from their specific interests, increasing their overall relaxation and preventing them from wasting the resources visiting destinations that do not match their interest profile.

**Community Support:** The support of local community members is integral to the success of a rural tourist destination since they are the main providers of local cultural products and experiences (Chin & Lo, 2017). Support is valuable for supply stakeholders by improving economic prosperity and quality of life, and for demand stakeholders it means meeting their tourism needs. Therefore, we propose incorporating foreign language training into the Tourism Management program at the Vocational College to improve the intangible attributes of service quality that Danzhai can offer tourists.

## Benefits

Recommendation one seeks to increase foreign and domestic tourism by marketing to specific populations and sustaining the flow of demand to maintain increased income for business owners and handcrafts-people in the region. The United States National Trust for Historic Preservation defines the technique of utilizing culture to drive tourism as “cultural heritage tourism,” which is “traveling to experience the places and activities that authentically represent the stories and people of the past and present” (Lusetyowati, 2015, p. 402). In the short term, more tourists to this region would bring more consumption of local products, thus increasing income of local residents. Ensuring a steady and sustained flow of tourists in the region will drive production of goods and services, increase profit for businesses, and provide professional opportunities for the residents of Danzhai.

The overall social benefit for the Danzhai region, and for the Village, is to create a sustaining market for the local Miao and Dong cultures. Tourism development of Danzhai will likely increase the quantity of adults who are able to remain in the community for work as income level increases and job opportunities expand. This would improve family stability, which will create more buy-in among community members who will be more engaged in sustaining success of the Village.



# RECOMMENDATION 2:

## MECHANISMS FOR SUSTAINING TOURISM DEMAND

### Introduction

In addition to increasing the amount of tourism in Danzhai, it is critical to develop a mechanism for sustaining demand for both tourism and cultural products. Improvements and expansions of existing online and offline systems will improve the tourist experience, engage visitors with the local economy and culture, and expand demand for local cultural products.

This section includes four specific implementations for sustaining demand: 1) Upgrade WeChat Mini Program/Online Website, 2) Set up online store, 3) Create a Danzhai Passport system, 4) Provide better offline services throughout the whole trip. The implementation strategies can be broken down into two categories: one and two refer to online services, and three and four for offline services.

### Background: Improving Online Services

Wanda should improve their online services in order to improve quality of tourism services, as well as demand for local products. We suggest two specific implementation pieces to improve the online services in Danzhai. First, upgrade the existing online platforms -- the Wechat Mini Program ("app") and upgrade the online website, to create a more functional and informational online tourism guidance system. Second, Wanda should set up a single online store for local manufacturers to expand their online sales and create a larger and more sustainable demand for local cultural products.

## IMPLEMENTATION I: UPGRADE WECHAT MINI PROGRAM/ONLINE WEBSITE

### Background

The Danzhai Wanda Village has an existing website an app that runs instantly on WeChat's interface. However, these programs have limited functionality and lack information critical to developing a positive tourist experience. To better integrate information and technological tools with tourism services- especially for self-guided tourists- upgrades to both are recommended. These upgrades include integrating QR codes to provide details about tourist attractions and stores, guides for thematic tours, and a package of trip planning publications. These online platforms should be linked together and offer multilingual services.



## Execution Strategies

- 1) Provide QR codes in attractions and shops: A dynamic tour guide system should be established by incorporating QR codes for every attraction and shop in the Danzhai region (Zheng, 2017). Tourists who scan the codes will be presented with a history of relevant attractions, travel tips, related handicrafts, and can be redirected to retail websites. Travel tips such as essential neighboring destinations and unique photographic opportunities will further engage tourists with sites they may not have visited otherwise.

In addition to improving the information available to tourists, the QR Code system will improve the retail experience by providing a web page that includes compelling origin stories, necessary cultural background, videos of handicrafts being made, options for visiting the workshop, and links to the online store.

Engagement with the production process will increase the value tourists place on these goods, as well as increase the demand for the consumption of these goods. Tourists will be able to purchase trips to visit workshops through the app, as well as purchase products. Providing videos of handicraft production will increase the likelihood tourists will want to visit the workshops where they are made; and provide a supplementary experience for tourists that are unable to participate in site visits. Developing an integrated app will provide needed resources for self-guided tourism in Danzhai, while also increasing tourist appreciation for local culture and sustaining demand for handicraft production.

- 2) Themed Tour Routes: The online platforms should also include Themed Tour Routes to provide description and guides for potential thematic travel packages mentioned in recommendation one. Thematic tours will help tourists of different target groups plan trips connected with their unique interests. The route of each thematic tour will be provided along with an introduction to the attractions and activities along the route with self-guided tour information.
- 3) Travel Guidebooks: Following the model of trip planning publications of National Parks in the United States, multilingual electronic travel guidebooks for Danzhai County should be developed and available for download on the Danzhai website. This set of publications should include a comprehensive travel guide including the locations of important sites, regional and route maps, transportation options that promote the shuttle service, an events calendar, and descriptions of the local culture, history, and background on the Wanda Danzhai poverty alleviation project.

## IMPLEMENTATION II: ONLINE STORE

### Background

Even though tourists are drawn to local handicrafts, the limited labor and financial capacity of the small workshops constrain production and retail options. Local handicraft manufacturers should be supported through the design of a single online store to expand online sales channels. A single website would pool resources across the community to alleviate labor constraints among independent workshops. The greater community of local governments, schools, and businesses should also be engaged to grow human capital and innovation for the operation of the online store. Overall economic efficiency will be improved for small business owners, allowing greater reinvestment in the production of the handicrafts (Yu et.al, 2018).

Online stores could be integrated on Taobao, the largest online retailer in China. The content of each store's webpage should include a product list and introduction of the culture and scenery where the product was created. Products essential to the culture of Danzhai would be universally available, including tea, bird cages, indigo-dyed clothes, embroidery, paper-cutting, and oil paper umbrellas. The increased economic flexibility provided by the store will also allow for a greater diversity of prices to satisfy the needs of consumers with varying purchasing power. Total page views and unique visits will provide valuable information to assess demand, while an established online retail presence will spread the introduction of Danzhai culture to potential future tourists.

#### *Background: Improve Offline services*

In addition to upgrading online services, Wanda should also focus on expanding investment in the offline tourist experience. Improving the quality and scope of offline services will improve target groups' experiences.

## IMPLEMENTATION III: DANZHAI PASSPORT

Primarily, the offline tourist services could be extended through the development of a Danzhai Passport, which would link all of the scenic places in the Danzhai region in one place for easier tourist access.

The Passport should be included in all marketing materials for the Village, available for tourists to pick up at the Danzhai Wanda Village Tourist Center. Individual stamps will then be created for each tourist destination. When a new tourist site is identified, it can be added as a stamp to the Passport. Tourists who collect all stamps can exchange the Passport for traditional handicraft gifts at the Tourist Center. The Passport would increase enthusiasm and establish a sense of achievement and competition for tourists, to attract more visitors to designated sites (Luo & Kong, 2015). The central role of Danzhai Wanda Village would also be strengthened as the hub for tourist engagement increase consumption of traditional handicrafts.

## IMPLEMENTATION IV: BETTER OFFLINE SERVICES THROUGHOUT THE WHOLE TRIP

More tourists would be drawn to the region by making information more accessible before, during, and after visiting the site.

### Execution Strategies:

- 1) Before: Clear information and instruction: Implementing travel packages will improve site accessibility and allow potential tourists to envision their trip to Danzhai before visiting. It is recommended that Wanda develop and sell multilingual travel packages that promote the shuttle service and outline a complete experience including hotels, lodges, and tourist shops in the Village. Information on travel packages should be promoted online and available for independent distribution to outside travel services.
- 2) During: Modern experience facilities: During visits, the quality of service should be improved through the construction of modern experience facilities. For example, the batik workshops can be made more suitable for an increased number of customers while retaining the original visit format.
- 3) After: Better feedback mechanism: A feedback mechanism should be established for tourists to submit comments after their visit. This will provide valuable insight for the future growth of the business and will allow the owners to improve services. It also encourages tourists to become involved and find a sense of inclusion in the overall experience and design of Danzhai.

### Benefits

Recommendation two seeks to create a demand sustaining mechanism by improving both online and offline services. First, the improvement of services would help to sustain tourism demands, which will contribute to the primary goal of tourism development and poverty alleviation. Second, sustaining demand will also bring benefits in terms social and cultural perspectives.

The economic benefits of this recommendation would be an increase in activities and facilities, infrastructure improvements, revenue, and employment opportunities. The additional economic revenue would raise more money for local government budget due to increased tax revenue; increase the average income of shop owners which may ultimately prompt more residents to stay in Danzhai to work.

For social and cultural benefits, the upgraded WeChat mini program and websites will enhance both preservation and understanding of the region and its people. The website and app will increase cultural awareness of the Danzhai region and the Miao culture among domestic and international tourists. Cultural tourism has a “positive effect of upgrading underused or deteriorating local resources and leading to the cultural

revitalization of historic towns and cities, thus improving local amenities for both visitors and the host community” (Alipour, Firozjaei, and Aryamanesh, 2012, p. 1516).

It is important to note that there can be negative outcomes of a poorly designed application. “If [a] customer finds a site or interface difficult to use, there is a good chance they will not persist in using it... [in terms of] marketing, unpleasant online experiences will, inevitably, lead to reduced online sales and a loss of potential customers...” (Yus, 2013, p. 6). On the other hand, a well-designed app will enable tourists to have a positive interaction with the app and will continue to seek out the Village and its products.

For offline services, Wanda has already begun revitalizing the infrastructure surrounding the Village. As observed during our visit to the Village, Wanda’s CSR presence in the region has positively impacted cultural preservation. Experts have highlighted that, if done properly, there are valuable sociocultural benefits to increased cultural tourism (Xiaoping, Yao, and Li, 2019). Expansion of culturally competent tourism enhances “a great sense of community identity, a heightened sense of linking with local environments, and increase social capital” (Xiaoping et al., 2019, p. 1). Xiaoping et al. (2019) highlight that establishing a well strategized cultural tourism sector has positive outcomes in China. By following these implementation steps, Wanda will experience a sustained demand for tourism and each of these positive outcomes.





# RECOMMENDATION 3:

## ENTREPRENUERSHIP CAPACITY BUILDING

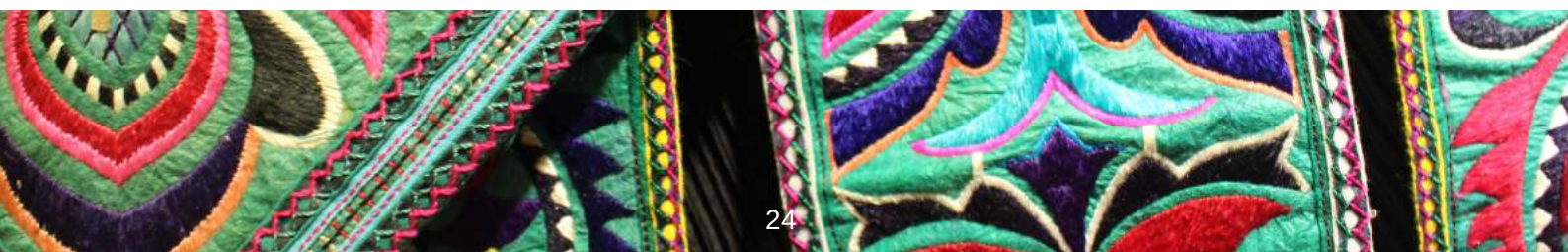
### Introduction

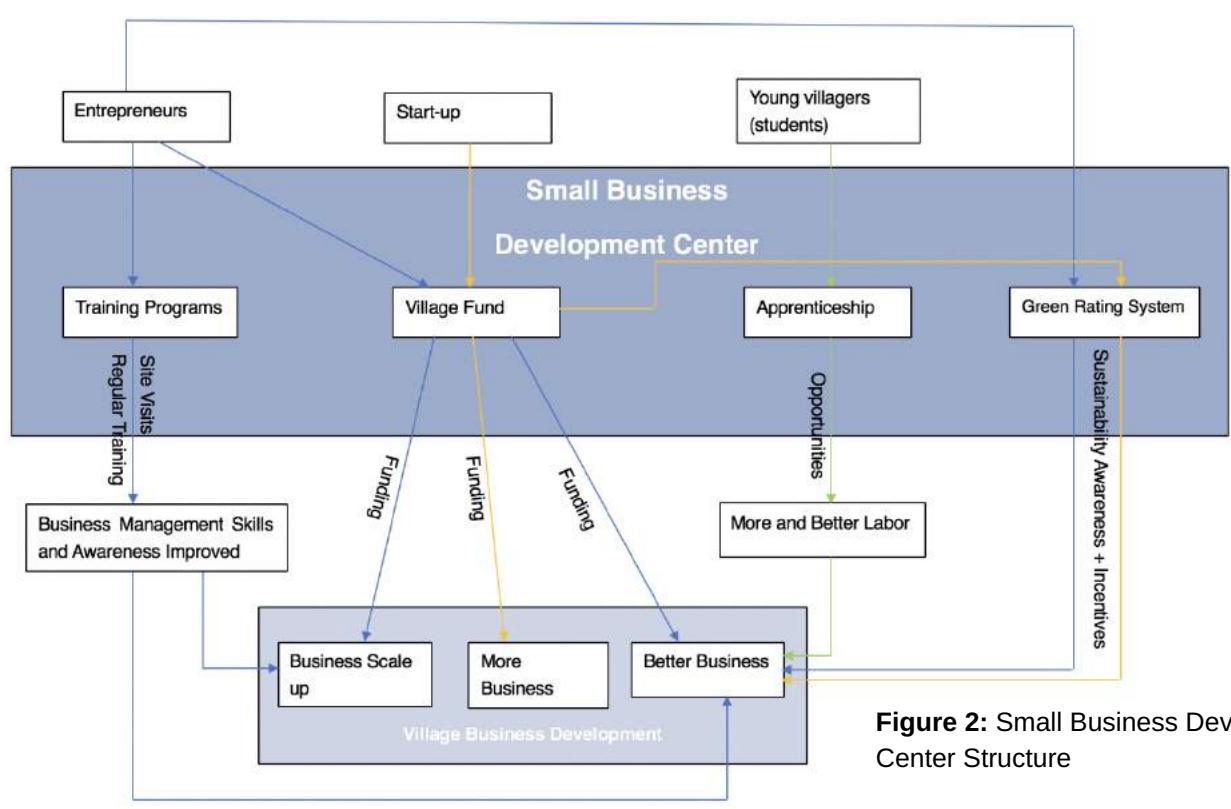
Capacity-building of the Danzhai entrepreneur community has the potential to empower business owners to sustain their own future prosperity without continuous contributions from Wanda. When one business flourishes, it drives demand for other entrepreneurs in the area. Capacity-building entails developing the skills and knowledge of local entrepreneurs, so they can optimize business operations, increase production of goods, and access new markets.

The following are five specific recommendations for capacity-building in Danzhai: 1) Create an incubator called the Small Business Development Center (SBDC) to act as the hub of technical assistance, education, and capital access for the Danzhai entrepreneur community; 2) Implement training programs in data analysis, e-commerce, and sustainability for the Danzhai entrepreneur community; 3) Establish an internship/apprenticeship program to establish a pipeline of young workers for local businesses, working closely with the Guizhou Wanda Vocational School. 4) Create a “Village Fund” microlending system to provide access to capital for the entrepreneurs; 5) Create an eco-labeling system to create a transparent system of rating the environmental friendliness of local businesses’ products and operations.

### IMPLEMENTATION I: ENTREPRENEURSHIP INCUBATOR

To centralize resources for entrepreneurs, we recommend creating a SBDC in the Danzhai the Village to act as a hub and incubator for the Danzhai Entrepreneur Community. As the entrepreneurial hub of Danzhai, the SBDC will administer all capacity-building programs explained below. This SBDC will serve as the Danzhai entrepreneurial community’s “one-stop shop” for technical assistance as well as financial and educational resources. This provides solutions for both demand and supply-side problems for local small businesses (Markley et al., 2015). Additionally, SBDC satellite offices can be established in remote parts of the Danzhai region so that entrepreneurs in those areas can easily access capacity-building resources. The SBDC programs that are more human capital intensive, such as the university partnerships and internship/apprenticeship program, should be housed in the central SBDC office.





**Figure 2:** Small Business Development Center Structure

Establishing the SBDC can empower individual entrepreneurs and foster an entrepreneurial ecosystem in the Danzhai region to support the long-term development of the community (Markley et al., 2015). In this way, the SBDC acts as an "anchor institution," which Porter et al. (2019) defines as a place-based, non-government agency "rooted in their local communities by mission, invested capital, or relationships to customers, employees, residents, and vendors" similar to a university or hospitals (Porter et al., 2019, p. 6). As such, an anchor collaborative aligns the activities and practices of the SBDC, and the Vocational College toward the goal of incubating a sustainable entrepreneur development community.

## IMPLEMENTATION II: ENTREPRENEUR TRAINING PROGRAMS

Next, we recommend that Wanda institute training programs within the SBDC focused on cultivating practical business skills and providing technical expertise for local residents. The programs will help Danzhai gradually detach from its economic dependence on Wanda and sustain economic activity and growth once Wanda leaves the area. These trainings can equip local villagers with business knowledge, skills, and awareness. They can also encourage innovation by younger residents, excited by the prospect of owning and running their own small business.

These workshops consist of two courses: classroom training and site-visits. The regular training is held once a month at the center. A basic and continuous component in the training is business administration and management, teaching basic business skills such as operations, employment, and marketing. The courses enable them to make sensible decisions using modern economics and business management techniques rather than merely relying on instinct or common sense (Xing, 2006).

Besides basic business skills, e-commerce is also an essential component of the regular trainings. This involves training local business owners on the use of e-commerce and internet platforms. Those who have their own products, like dyeing cloths, can use popular online shopping apps like Taobao and Weidian as additional sales channels. Taking advantage of these mature e-commerce platforms can quickly and effectively expand the domestic and international market of regionally-specific Danzhai products (Wang et al., 2011). For other businesses, such as home-stays, hotels, restaurants, and recreational facilities, collaboration with popular social media and commercial hospitality apps such as famous WeChat accounts, Mafengwo, Airbnb, and Red can further improve businesses promotion (Li, 2014).

Regular training can focus on fostering sustainability awareness amongst local business owners. Many of the local specialty products are made from natural materials, and thus increasing the scale of production threatens to harm the environment. For example, the bird cages are made from bamboo and traditional paper are made from certain kinds of plants. Therefore, when the production scale exceeds the local environments carrying capacity, significant damage might be caused. The awareness of sustainability should be seen as equally important as those business skills mentioned before, since both the tourism and specialty products are dependent on the local environmental resources (Liu et al., 2016).

The second component of training programs is bi-yearly site-visits. Wanda should facilitate these visits for local business leaders in Danzhai so that they can see other famous ecotourism areas in China, like Mogan Mountain and Wuzheng. Those areas have additional experience in ecotourism and related enterprise, which can serve as a marker. This could provide Danzhai villagers with opportunities to learn from other tourism business experiences. Business related to ecotourism has a high level of variety, which mainly depends on different local resources (Zhen, 2016). Even though copying others successes may not be possible, site-visits help Danzhai businesses to make sensible decisions in the long-term.

Wanda should also share its current business data with local businesses, and train the owners to better utilize the data to implement more efficient market strategies. For example, if the local restaurants have data on where their customers come from and which group contributes most to their revenue, they may adjust the taste of food a little bit towards the preference of this specific group. Only a simple data analysis support from Wanda could help local entrepreneurs improve their revenue (Langseth et al., 2007).



## IMPLEMENTATION III: APPRENTICESHIP PROGRAM

To secure a sustainable supply of new business managers, owners, and entrepreneurs, we recommend the establishment of an apprenticeship program for the Danzhai Entrepreneur Community, which the SBDC will administer. The program should promote partnerships with the Vocational College, and other local universities to recruit and train students. It should be open to all young people in the region interested in gaining business experience. Lichtenstein and Lyons (2001) point out that the development of a sustainable local entrepreneur ecosystem requires not only the provision of services, capital, and technical assistance for those entrepreneurs, but a steady supply of new entrepreneurs.

The internship and apprenticeship program will secure this supply of new entrepreneurs. The Vocational College offers courses of study in Accounting and Tourism Management, which means that local students are developing skillsets that are directly applicable to many small businesses. The apprenticeship program can match students with the requisite skills directly with enterprises in need of further capacity within the Danzhai Entrepreneur Community. As such, the apprenticeship program allows the Danzhai Entrepreneur Community to tap into other latent pools of labor with skills not met through the Internship Program and provide access to job opportunities to local young people who are not enrolled in higher education. Such apprenticeships may include clothes-making, handicrafts, and other positions tailored to the needs of local Danzhai enterprises.

## IMPLEMENTATION IV: VILLAGE ENTREPRENEURSHIP FUND

The fourth recommendation to support local Danzhai businesses is to create a Village Bank ("the Fund") based on the methodology of microlending. The Village Fund provides microlending services to low-income residents so that they have the requisite capital to open and sustain their own small businesses. A lack of start-up capital and supplementary loans often serves as a barrier to entry for low-income individuals, barring them from participating in the market. Professor Yunus pioneered the idea of village banking with the Grameen Bank, which was further developed by groups such as FINCA and World Bank (FINCA, 2019). Currently, there are more than 30 microfinance institutions (MFIs) that provide microlending services to over 800 villages in at least 90 countries.

Village banking comes from research that highlights that lower-income groups have great difficulties borrowing money from formal banks due to a lack of collateral, even if they have viable ideas to start businesses (Esty, 2011). The Fund would gather 10 to 50 low-income entrepreneurs as a big group and then divide them into several small groups (ranging from four to five individuals). Each small group has a leader who administers the system, and distributes loans based on members' needs and ability to repay (Rios & Hernandez, 2016).

To eliminate the need for collateral, the Fund requires a system of cross-guarantees. This means each member of a village bank guarantees the loans of every other member (CFI, 2019). If any member fails to repay their loans on time, other people lose the opportunity



to loan in the future. This system creates social pressure between members of the Fund, where the cost of social embarrassment motivates other members to repay their loans in full (FINCA, 2019). Groups that consistently repay their loans on time or before the deadline can then apply for a larger number of loans in the next period. In short, this village banking method provides financial support to low-income people with little to no interest rate to ensure equitable access to markets and stimulate economic growth across the region.

Wanda group has already provided 500 million RMB through their Poverty Alleviation Fund for disabled and elderly people in the Danzhai region. We recommend that Wanda divide one-third of this fund, about 150 to 200 million RMB, on microlending and related training programs. Wanda should create its own microfinance institution to make sure every step of the microlending process is transparent and fair. This model not only creates a sustainable economic development model for the Village, but also provides incentives to stay in the region for young adults who would otherwise look outside for job opportunities. This in turn would also benefit family structures and have them remain stable. Besides providing direct financial support to local people, microlending is also a financial literacy class for villagers where their visions are enlarged and their self-esteem, and self-confidence get boosted.

Wanda should also place offices in different areas throughout the region due to inequitable transportation issues for older residents and those with disabilities. Office staff can provide trainings to local people on the microlending process and keep thorough records for the Fund. Qualified low-income people could apply for the microlending services with no interest rate in the first year.

Many Chinese provinces, such as Hebei, Shanxi, and Henan, have demonstrated that microlending is a successful model for poverty alleviation. For example, Yi County is located on the west side of Hebei province, about 120 kilometers away from Beijing. It has total population of 5,400 thousand, of which five thousand are farmers and low-income people. Yi county had been listed in nation's poverty-stricken county since 1986. In order to find a new efficient poverty alleviation method, Chinese Academy of Social Sciences choose Yi county as first experimental subject by using village banking. The Yi county's microfinance institution was created in October of 1993. There are only two people when this institution was founded, but after 10 years of development, the Yi county's microfinance institution has total staff of 35 and more than half of them have an associate degree. In addition, the total loan increased from 180 thousand RMB in 1994 to 9.56 million RMB in 2001.

Compared with the traditional village banking method, which provided loans for all those identified within the poverty limit, Yi county's model mainly focused on female customers. The reason is that scholars think women have more responsibility than men, because they need money to raise their children and take care of their families. Villages with easy transportation to loan offices usually have a loan higher repayment rate. In contrast, extremely poor villages usually need more than a few days to repay their loans. The last suggestion is the amount of the loan should not exceed one third of the recipient's yearly income. For example, the average income for people in Yi county was approximately 300 RMB per year, so the loan should be around 100 RMB.

Yi County's MFI lifted 10,000 people out of absolute poverty through microlending efforts with a repayment rate of approximately 98%, which demonstrates that Professor Yunus' concept that those with lower incomes repay their loans on time (Qing & Xiang, 2008). Moreover, the benefits of the Fund go beyond access to capital – by bringing people together for a common purpose, this method encourages group members to work collaboratively, as well as, share experiences, information, and lessons learned about sustaining a business (Rios & Hernandez, 2016).

IMPLEMENTATION V: GREEN RATING SYSTEM

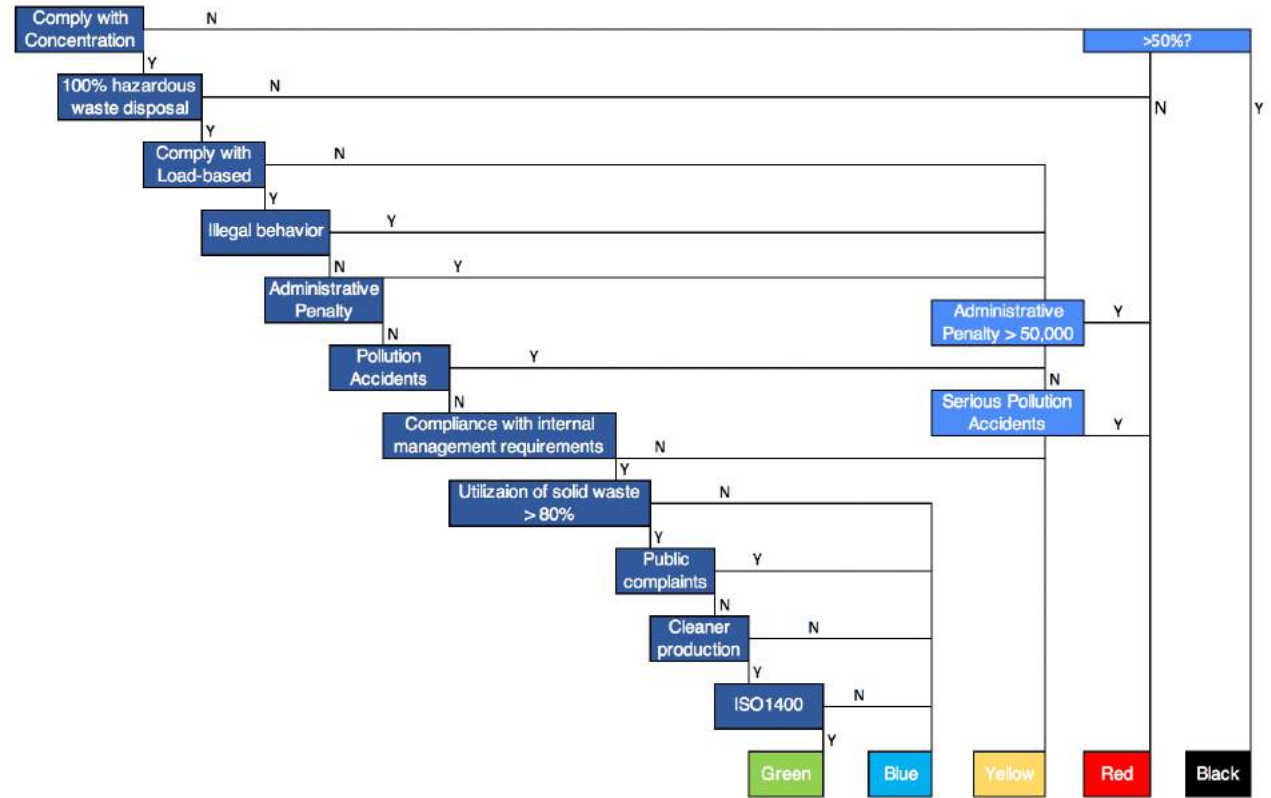
Wanda should implement a Green Rating System (GRS) to enhance the awareness and motivation of local entrepreneurs to protect the environment. A sustainability education program that consists workshops and lectures can teach local businesses the importance of "greening" their production process by explaining the close relationship between conserving natural resources and economic development. This is particularly important for an economy heavily dependent on agriculture and ecotourism such as Danzhai. Furthermore, training best practices can help transform awareness into action, which cumulatively reduces waste and excessive use of valuable natural resources like water, and electricity.

By design, the GRS incentivizes businesses to commit to environmental protection and sustainability. It can be modeled after the Environmental Performance Disclosure Program designed by Dr. Hua Wang (2004) so that the GRS gives a public rating, or "eco-label", to the businesses of Danzhai based on a set of criteria measuring the environmental sustainability of their practices and products. Following Dr. Wang's criteria, Danzhai businesses will follow five-level criteria from highest to lowest: Green, Blue, Yellow, Black and Red seen in Figure 3 (Wang et al., 2004).

ZHENJIANG CASE STUDY

The City of Zhenjiang is located in the relatively high-income coastal province of Jiangsu. Zhenjiang implemented a five-category, color-coated environmental performance disclosure system for its businesses, along the lines of the system recommended here. Zhenjiang's rating system gathers information from an array of sources including inspection reports, regulatory actions, and public complaints, and rates businesses based on six dimensions of environmental pollution: water, air, noise, solid waste, electromagnetic radiation and radioactive contamination. In addition to environmental impact, each firms' environmental management system is factored into its rating. The Zhenjiang Environmental Protection Bureau (EPB), in tandem with the rating system program's Steering Board, is in charge of the ratings. The EPB engages in a transparent process both with the firms and with news media about their methodology for setting the ratings for each company.

Figure 3: Green Rating System.



Source: Wang, H. (2011). Stakeholder dialogue as an institutional strategy for sustainable development in China: The case of community environmental roundtables. The World Bank.

Evidence shows that the public disclosure of the environmental performance of businesses effectively reduced GHG emissions in Southeast Asia and Africa (Blackman et al., 2000; World Bank, 1999; Wang et al., 2004). Eco-labeling provides businesses with incentives to meet certain environmental criteria due to the increased demand for and consumption of certified goods and services by tourists looking to go green (Lee, 2000). Therefore, the green labeling system attracts ecotourism to regions and contributes to the region’s overall reputation as a sustainable tourism destination (Lee, 2000). Under the GRS, businesses get the opportunity to earn tax exemptions or rent reductions for improving their rating by at least one level each year. The GRS can be incorporated into the Sustainable Business Education Program, which allows facilitates a feedback loop where the entrepreneurs can periodically evaluate and improve upon their environmental performance.

Benefits

The implementation of capacity building programs proposed in Recommendation Three will also bring many long-term social benefits to the region. Establishing the SBDC, an internship/apprenticeship program, green rating system, entrepreneurship training programs, and Village Banking will supplement the success Wanda has already brought to the region while supplying the long-term infrastructure for a self-sustaining economy that values the historical culture and future prosperity of the region.

To meet fierce competition, incubators have become a leading model to foster innovative economies in the modern global market (Lalkaka, 2002). Incubators are an increasingly common model to stimulate and support technological innovation in the United States and are an essential resource for emerging economies to be competitive in the global market (Klonowski, 2007). Implementing an incubator model through the recommended Small Business Development Center will ensure support mechanisms will be in place for the long-term social stability of the Danzhai region. Incubators also serve to foster community where business owners may share experiences and expertise to improve overall economic efficiency. The current model for cultural preservation is dependent on small business production of handicrafts, but private investment is required to subsidize production and retail. The SBDC will provide sufficient support so that cultural preservation projects can be sustained within the local community. Overall, the success of incubated businesses is approximately 80-85%, compared to 30-50% of non-incubated businesses (Lewis, Harper-Anderson, & Molnar, 2011).

Currently there are financial incentives for younger generations to leave the region for better employment opportunities in urban centers. Partnering with local vocational schools to develop a mentorship and internship program will establish an employment pipeline for local hiring. In addition to granting students employment experience, the program will provide an opportunity for intergenerational connection and the transfer of the skills and knowledge required to sustain the production of local handicrafts. Additionally, students will bring new and innovative perspectives to local businesses that they have gained both through formal education and different generational perspectives.

Training programs for small business owners will ensure long-term business sustainability. Wanda has developed an essential model to preserve local culture by establishing a market for handicrafts where a market did not previously exist. E-commerce will further expand and diversify the market but will only be sustainable in the long-term if local business owners are adequately trained to manage those e-commerce opportunities independently. The training program is aimed at equipping local villagers with basic business skills, like administration, employment, promotion, which is necessary for a modern enterprise. By making the potential of e-commerce more accessible to local businesses, training programs will only further enhance market opportunities to provide a long-term independent business model and strengthen the social benefits of the existing marketplace.

Electronic commerce trainings could help local entrepreneurs break into the global market and boost the sale of their products to foreign tourists, which might in turn attract these tourists to Danzhai. E-commerce opens wider national and international markets for the specialties in Danzhai and lowers the economic barriers for new start-ups in the region. It could also lower the economic barriers for new start-ups in the region so more people could have the opportunity to increase their revenue. The exposure of cultural products from Danzhai may also attract more tourists to visit Danzhai to understand the story and culture behind the products, which in turn promote local tourism. Given that Danzhai is home to the several traditional cultures and all their unique quality goods, proper training on how to create an online platform could allow local entrepreneurs like Gen-Silk or Vimemo, the local bird-cage artisans, and Legend Tea makers to access a larger global market, and increase annual revenue. E-commerce can also attract more people to visit Danzhai to understand the story and culture behind the products, which in turn promotes local tourism.



Establishing a village banking system creates a self-sufficient local economy that further empowers local business growth. The current business model requires continuous investment from Wanda. Without the development of a long-term plan to transition to outside capital-generation mechanisms, poverty alleviation will not be sustained, and the current success of the project will be put into jeopardy. Wanda has successfully established a market for culturally significant goods, but these businesses will require continued support both to meet growing demand and to bridge gaps in development as businesses expand.

A village bank in Danzhai County, serving as a supplementary financial tool to the investments and poverty alleviation fund provided by Wanda, can be a very important tool in poverty alleviation practice (Hiatt S., Woodworth W., 2006). Microlending has several characteristics that distinguish it from other types of financial services: it is targeted mainly at low-income people, it does not require any financial collateral, and it is aimed at training and empowering people. Under the microlending model, local villagers choose how to spend their own money. They may use it to start a new business, upgrade agricultural and production equipment to improve efficiency, or increase household income.

The dual implementation of a Sustainable Business Education Program and GRS enhances the awareness and motivation of local entrepreneurs to protect the environment. The Sustainable Business Education Program, in the format of workshops and lectures, teaches local businesses the importance to becoming environmentally conscious by explaining the interaction between natural resources and economic development. This is particularly necessary for an economy heavily dependent on agriculture and eco-tourism like Danzhai (Neto, 2003). Furthermore, training of best practices should help transform awareness into real action, which cumulatively reduces wastes and utilization of resources such as water, electricity, and other production inputs.

A Green Rating System, by design, should incentivize businesses to commit to environmental protection and sustainability. It can be regarded as a simple blending of the Environmental Performance Disclosure Program designed by Mr. Hua Wang (2004) and eco-labeling. Public disclosure of the environmental performance of enterprises has proven to effectively cut emissions in Southeast Asia and Africa, serving as a volunteering-based complementary policy in controlling adverse impacts on environment during production process (Blackman et al., 2000; World Bank, 1999; Wang et al., 2005). Meanwhile, eco-labeling provides motivation for businesses to meet certain levels of environmental criteria to be verified as eco-friendly goods/services or businesses (Lee, 2000). In lieu of a satisfactory verification of environmental compliance, businesses earn a reputation of being environmentally friendly, and gain tax exemptions or rent reductions. This can be regarded as a check of the Sustainable Business Education Program, which will provide feedback of effectiveness of the program. If in the future, success continues, this would be a good barometer of proper implementation.

# RECOMMENDATION 4:

## CIVIC ENGAGEMENT MECHANISM

### Introduction

The fourth recommendation is to increase civic engagement between community members, business owners, Wanda employees, and local government officials. This recommendation involves establishing quarterly, informal meetings to guarantee a continual feedback loop between community stakeholders and strengthen their relationships with one another. The next section lays out the overarching purpose of civic engagement strategies, our implementation strategy for boosting civic engagement, and the projected benefits of the mechanism.

Civic engagement is a process by which community members' opinions are collected and incorporated into policy choices. Civic engagement can appear in many forms - community meetings, surveys, and even basic information-sharing. Meaningful civic engagement incorporates the voices of community members into decision-making and problem-solving processes. It attempts to tap into the knowledge and expertise of community members as a way of strengthening projects through collaboration, establishing best practices through feedback, and increasing community satisfaction.

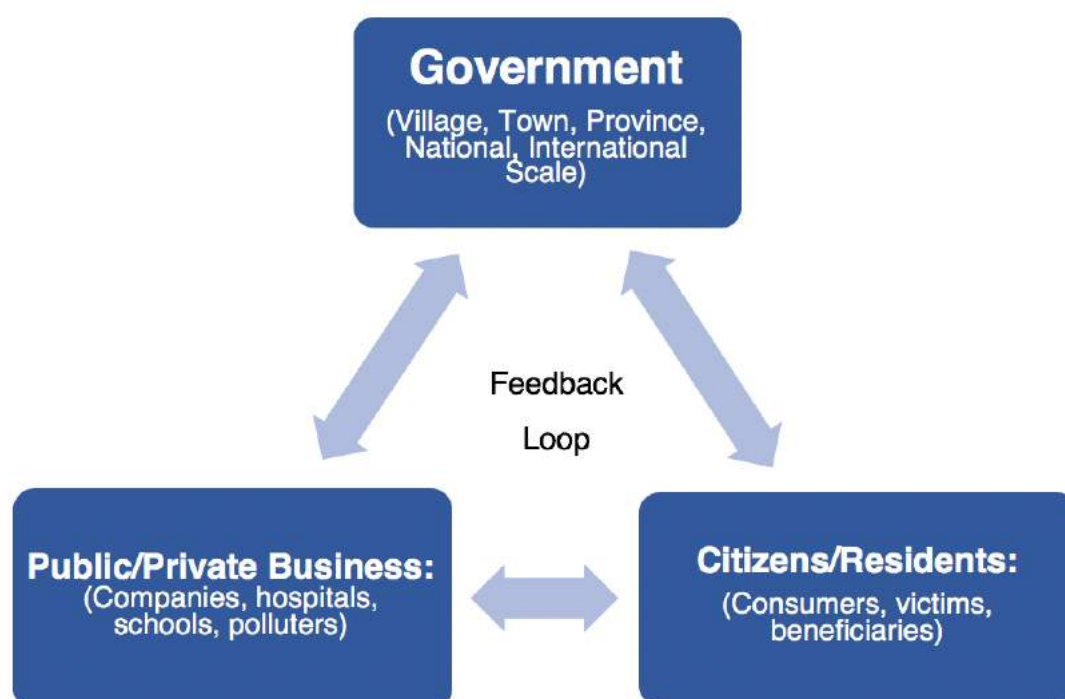
Currently, Wanda acts as a third-party moderator for the Village, maintaining the relationship between local government officials and community members. When Wanda leaves, there will be a communication gap between the business owners in the Village, residents, and government officials. If this gap is not addressed prior to Wanda leaving, it is likely that the project will fail to reach its full potential. The lack of a feedback loop between the government and community members running the businesses will lead to a lack of understanding of problems on the ground and no mechanism for the Danzhai community to resolve these problems themselves.

Community members currently manage businesses and provide products to stores in the Village. This is a highly successful part of the Village project because it identified a community need and filled it - creating a formalized market for selling local goods. This allowed Wanda to tap into the community members knowledge and expertise while giving people a way to earn a more consistent livelihood. Several case studies relating to Build-Operate-Transfer (BOT) projects exemplify the importance of appropriate issue identification in public-private partnerships. These are construction projects performed by private companies that are eventually transferred to government control. Keong et al. (1997) discuss several case studies of large-scale construction projects that took place in Asia in the 1990s. They found that projects that identify a local need and fill it, are those most successful at gaining political buy-in, creating strong partnerships, and ensuring lasting projects. Qiao et al. (2001) provided further support for this finding by identifying proper project identification as the most important aspect of 8 successful BOT projects studied in China.

While the Village has experience success due to its proper issue identification, the Danzhai region lacks a mechanism for properly identifying problems and needs that may arise in the future. Wanda has integrated community members into the business side of the project, however, community opinions have not been integrated at the decision-making level. A lack of structured civic engagement limits the capacity of local government officials to adapt the program with the needs of its participants, undermining each aspect of the project's potential success. Community stakeholders have been involved in a top-down approach to communication where Wanda supplies the funding, information, and support, we instead recommend boosting civic engagement through a bottom-up approach that relies heavily on local participation and creates a self-sustaining level of accountability from the government to the community (Wang, 2011).

## IMPLEMENTATION I: COMMUNITY STAKEHOLDER DIALOGUE PROGRAM

To better promote civic engagement in Danzhai, we believe Wanda should implement Community Stakeholder Dialogue Programs (CSDPs) based on the work of Professor Hua Wang. These stakeholder dialogues are informal meetings used by businesses to bring varying interested parties together to share information, provide feedback, and build mutual understanding to negotiate agreements, navigate complex policy issues, or facilitate joint-decision making (Hensengerth, 2011). These meetings typically include discussions by interested parties or representatives for groups that have distinct values and agendas with respect to the topic of the meeting. The figure below illustrates the triangular relationship between stakeholders that this process facilitates. They can be held at the global, national, sub-national (provincial and city), or even the hyper local (individual enterprises or projects) level. The purposes of these meetings also vary depending on the desired outcome, ranging from establishing partnerships to resolving very specific issues or making important decisions.



**Figure 4:** Triangular Model of Civic Engagement

Source: Wang, H. (2011). Stakeholder dialogue as an institutional strategy for sustainable development in China: The case of community environmental roundtables. The World Bank.

Incorporating CSDPs into the program design moving forward is especially useful due to the unique economic, legal, and logistical challenges faced in China. First, economic decentralization has meant that local governments are heavily dependent on revenues from businesses. This creates perverse incentives for local governments to value economic growth over environmental and social concerns (Wang, 2011). Moreover, the lack of legal repercussions for environmental pollution means that the judicial system does not provide a sufficient deterrent for bad actors, “Even if a polluting company loses a law suit, it still can escape legal punishment, as a large number of court orders have not been enforced in China” (Wang, 2011). Furthermore, the inability of NGOs to operate independently from government cooperation undermines their prospects for effectively filling this gap. As such, Chinese economic and legal features as well as NGO capacity necessitate the creation of a unified forum for self-reporting of environmental and social concerns to bring them to the attention of local political officials and collaboratively design solutions.

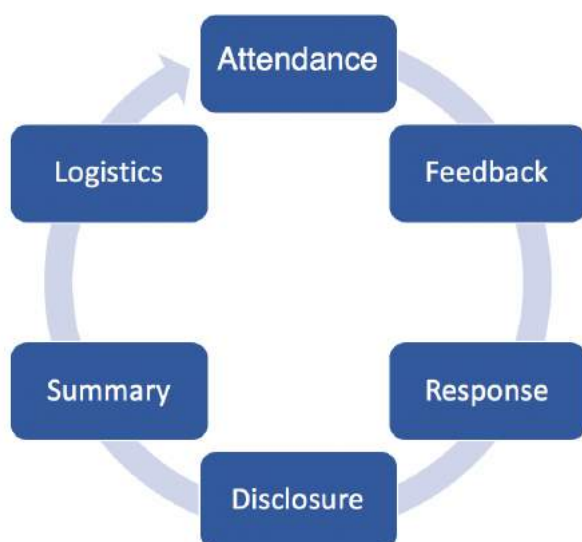
Professor Hua Wang first implemented CSDPs as a feasible and replicable mechanism to address the lack of understanding and communication between the Chinese government and rural residents regarding environmental and social issues in China. Introduced in 2000 by the World Bank, CSDPs were implemented in several municipalities throughout China to provide a forum for feedback on pollution from Township-Village Industrial Enterprises (TVIE) (Wang, 2011). As of 2011, more than 30 cities and 15 provinces implemented some version of the program in China (Wang, 2011). In many cases, the CSDP's were specifically targeted towards finding community solutions to serious industrial pollution resulting from rapid economic growth in regions lacking the proper infrastructure to handle the impacts of increased development. These cases offer a roadmap as well as provide important lessons for Wanda and the local government to design and implement stakeholder dialogues in Danzhai.

The meetings should be run by an independent third-party and evidence suggests the effectiveness of these meetings is correlated with the strength of this individual's mediation skills (Wang, 2011). This ensures an impartial distribution of speaking time for all parties and objectiveness of the final record for the meeting. Furthermore, a general principal for these dialogues is to ensure broad accessibility of the forum for all those with a vested interest in the outcome of the meeting. This establishes an egalitarian framework where all parties feel that their concerns are both heard and weighed equally. Not only does this ensure that a representative group of stakeholders get a seat at the table, but also that Wanda and local government officials have a large audience for any information or announcements they wish to share.



In addition to these overarching principles, the World Bank project in China provides the process specific guidelines for structuring effective dialogues (Wang, 2011). The following cyclical process allows meetings to build on the lessons and experiences of previous meetings, to continually improve the process so that communities feel empowered to sustain self-management:

- 1) Attendance. Participants should include all relevant government officials, pertinent business representatives, residents from the Village and surrounding area, NGOs, technical experts, and media members for public outreach.
- 2) Feedback. Community members self-report during the meeting on any relevant social or economic concerns they have about development and operation of the Village. This can also come in the form of recommendations for policy improvement or suggestions for policy modification.
- 3) Response. Government officials and Wanda are allotted equal time to respond to this feedback, which can come in the form of explanations, information-sharing, announcements, or commitments to implement changes.
- 4) Disclosure. Businesses, government officials, and technical experts disclose relevant information concerning past, current, or upcoming proposals. This information-sharing is mutually beneficial not only to raise regional awareness but also to empower residents and other community members to oversee village operations.
- 5) Summary. The third-party mediator overseeing the meeting provides a comprehensive briefing on the topics discussed, recommendations made, and any significant agreed upon next steps. This can also come in the form of an informal agreement signed by representatives of all the parties in attendance. While non-binding, such agreements can still lay the foundation for a partnership based on mutual trust and respect. Also, agreement signing provides an ideal photo opportunity for media members.
- 6) Logistics. The meeting finishes with planning for the next meeting and any further communication necessary for all parties to meet objectives of the final agreement.



**Figure 5:** Community Stakeholder Dialogue Program

**Adapted from:** Wang, H. (2011). Stakeholder dialogue as an institutional strategy for sustainable development in China: The case of community environmental roundtables. The World Bank.

## Benefits

Due to the social and economic importance of the Danzhai ecosystem, it is essential that Wanda take advantage of all available tools for highlighting, processing, and resolving environmental concerns. Empirically, the literature suggests that conventional approaches such as governance, command-and-control, and market-based strategies for addressing environmental and social concerns will not be enough as operations scale up and Wanda disengages from the region (Wang, 2011). Instead, we believe that CSDPs can more effectively generate environmental, social, and operational benefits because topics covered in the meetings can include each of these issues. This will not only help the entire region, but also boost public perceptions of Wanda's work in the area. Including media members, especially during the signing of the final informal agreement, can generate public outreach about the lengths to which Wanda is willing to go to incorporate communal concerns. This, in turn, should improve both domestic and international perceptions of the Village, further driving increased and sustained tourism.

CSDPs are designed to boost environmental awareness, cooperation between stakeholders, and buy-in from residents regarding policies implemented by the government. In the short-term, the government and local enterprises can explain new policies and collect public feedback, as well as understand stakeholder buy-in. This information-sharing plays an important role in allowing agents in the community to maintain an ecological standard for the town, congruent with the Green Rating System. This also ensures that residents become more informed, participate more fully in the decision-making process, and ultimately achieve a mutual trust and understanding with local leaders (Wang, 2011). The long-term impact of the CSDP's mirrors Wanda Group's objectives in Danzhai: to achieve community self-management and social stability in rural areas.

CSDPs can also improve economic efficiency and reduce waste. Wei et al. (2015) highlights the importance of integrating community self-management because often in development, "soft infrastructure, i.e. management and maintenance, significantly lags behind the physical infrastructure [which] results in the quick degradation of newly built infrastructure" (pp. 64-71). Therefore, CSDPs provide a platform from which community management and maintenance can be planned and implemented upfront, preventing the excesses and environmental waste typical of this development phenomenon. Moreover, similar community engagement has successfully encouraged sustainable rural development for farming communities in Chile's Nuble Province (Fawaz-Yissi et al., 2012). Bolstering community engagement improved economic efficiency and reduced dependence on outside facilitation and investment. Engaged community members had a more positive perception of program success than community members that were not engaged.

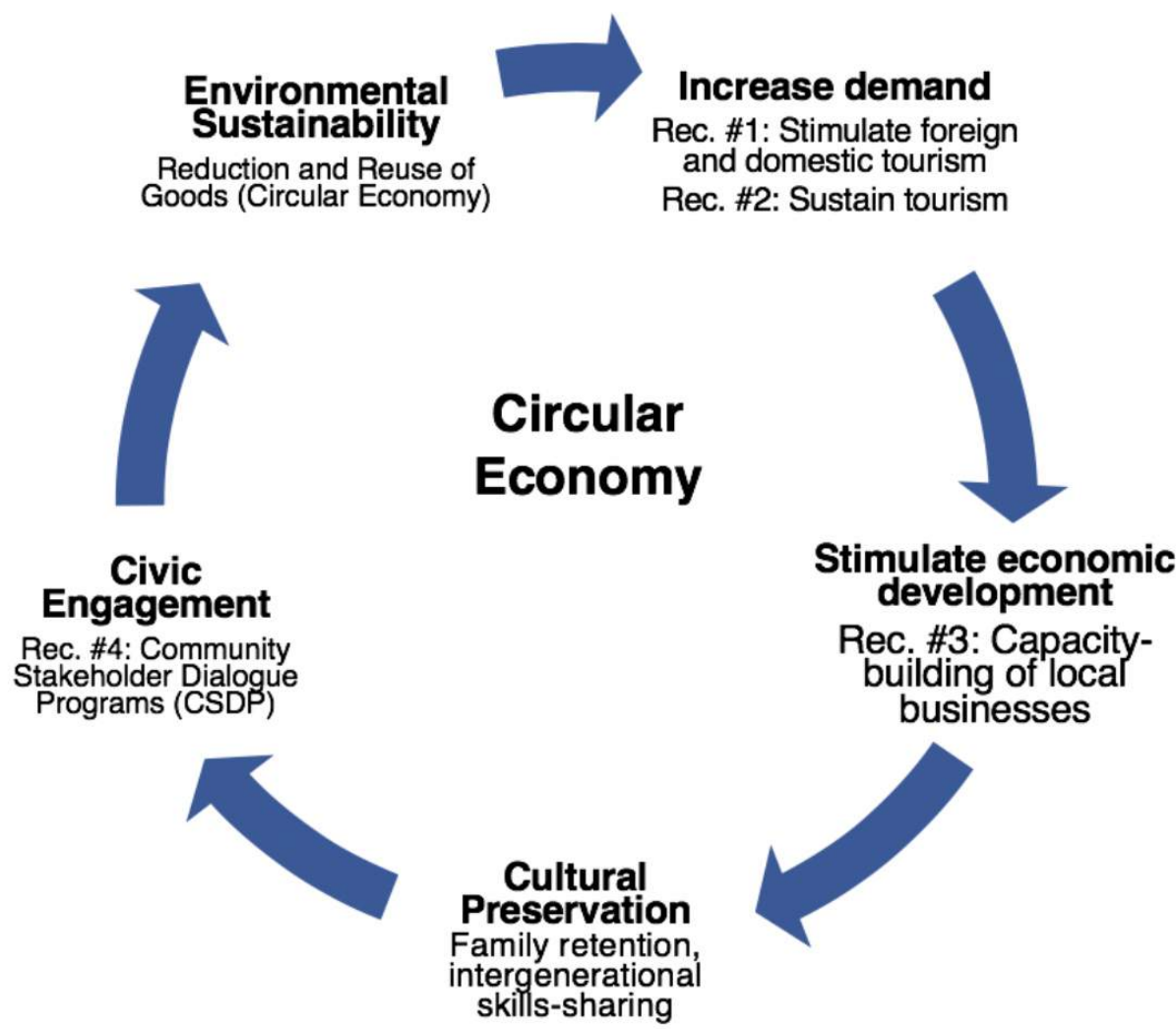
Finally, implementing CSDPs fosters community resilience and social buy-in for long-term preservation of local culture. Wanda has successfully established an economic incentive for the preservation of culture by developing and supporting a market for local handicrafts. While this has proven successful in the short-term, cultural preservation projects can only be sustained into the future with strong community buy-in (de la Torre et al., 2005). If the community is not engaged in the process of cultural preservation, the culture of that community cannot be sustained in a meaningful way.

# OUTCOMES

---

Closing the loop between all economic activities in Danzhai can reinforce a positive feedback loop, which fosters improved efficiency, economic sustainability, and future prosperity. This represents a concept formally referred to as a circular economy, as illustrated in Figure 6. First, as tourism increases demand for local goods and services in Danzhai, local businesses will become more profitable and eventually increase production. Next, Small Business Development Centers (SBDCs) can harness the potential of young students from the Vocational College and direct their skills towards future growth; students can teach e-commerce and advertising to help market the vibrancy of Miao culture both nationally and internationally. This has the potential to drive more foreign and domestic tourism to the region for consumption. Subsequent economic development in the region provides job opportunities for young parents that might otherwise have chosen to relocate to cities or commute long distances to work and support their families. Social and cultural benefits resulting from the retention of parents in Danzhai allows for both the intergenerational sharing of Miao traditions and improved care for youth. These parents should also have more time and energy to invest in their communities, making the region more civically engaged. This sparks more investment in their environment as the ecological health and beauty of Danzhai are essential to their economic success.

Figure 6: A Circular Economic Model for Danzhai



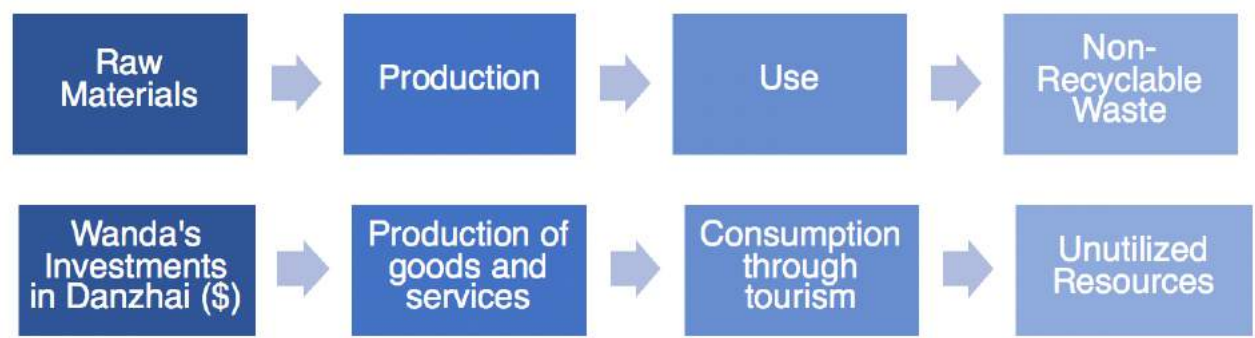
Our recommendations help to ensure that increased tourism, support of local community development, investments in infrastructure, and expansion of the Vocational College all feed into one another. This sustains further economic growth without the need to continuously input new resources into the project. As such, the circular economy model resulting from our recommendations generate economic, social, environmental, and operational benefits for the Village, even as Wanda begins to scale down their role in the region. The following sections highlight these project impacts, and in turn, justifies recommendation implementation by Wanda.



ECONOMIC BENEFITS

The McKinsey Institute concludes that achieving a circular economy helps answer the question of how to increase economic development while simultaneously reducing reliance on natural resources (McKinsey, 2017). By finding value of outputs throughout all stages of their life cycles, we can improve economic efficiency. Unfortunately, many global business owners are still reliant on linear production and consumption processes and therefore fail to take advantage of opportunities provided by a circular economic model (McKinsey, 2017, p. 22). The diagram below illustrates this failure to capitalize on existing economic inputs.

Figure 7: Linear Economic Model



Work must be done in Danzhai and beyond to ensure ecological and economic wastes are reused and recycled. For example, some wasted outputs are outlined below:

- 1) Human Resources and Talent: Students graduating from the Vocational College come prepared with skills to bring back into their communities. Some might choose to relocate to larger cities once they obtain higher education. While they are still in the vocational school, they can practice their skills by assisting small businesses, local hospitals, and hotels in the Danzhai region (see recommendation number three for more information). Next, the supply of individuals with skills in accounting and tourism management might soon outweigh the demand. Wanda should consider finding new needs for the Danzhai community and supplementing them with more degree programs.
- 2) Non-Recyclable Waste: The disposal of solid waste should be recycled to the best of Wanda's ability. Otherwise, consumption of single-use plastics in restaurants and shops might pollute Danzhai's environment and cause an unnecessary economic burden. Food waste from restaurants provides a good example of an output that can be easily used as an input for local agriculture.
- 3) Inefficient Facilitation Methods for Community Engagement: Wanda currently seems to work as an intermediary third-party between residents and the government. In doing so, they provide communication, information-sharing, feedback, and disclosure of future policies to various businesses, residents, and community officials. CSDPs help to resolve this inefficiency by closing the loop and uniting this dialogue between all relevant parties.

## SOCIAL BENEFITS

Our recommendations provide mechanisms to support and ensure prolonged cultural preservation to ensure the region derives long-term social benefits. Upon implementation, the recommendations establish a circular economy that provides a mechanism for culture to be preserved organically within the local community without continued private investment. Strategies that increase tourism by supporting traditional culture and creating demand for cultural products creates an economic incentive for locals to produce traditional goods. Cultural preservation then gains the monetary sustainability and capacity to also engage the internal stakeholders. Implementation of the proposed recommendations will therefore bring many social benefits to the region, including preservation of cultural authenticity, increased education, and intergenerational connection.

Cultural preservation requires increased demand from external factors and is the key to the circular economy in Danzhai. The poverty alleviation program was established with the region's culture and heritage at the forefront. The people are what will propel them into the modern market without having to completely change their way of life. There needs to be a structure in place to develop tourism without external cultural influences removing or disrupting the host community members' way of life to achieve a "perceived authentic." (Saufi, O'Brien, Wilkins, 2013, p. 815). The circular economic model is the proper structure to then combat this issue and will ensure cooperation continues. Cultural preservation then, in turn, also effects the rest of the feedback loop. If cultural preservation loses its authenticity and appeal, community dialogue will lose its purpose and can lead to environmental degradation.

## ENVIRONMENTAL OUTCOMES & CHALLENGES

There are two main environmental outcomes for the Village poverty alleviation program that coincide with the circular economy model. The first and immediate outcome is Danzhai's continued environmental management and development of green strategies for the community and local businesses. These environmental management strategies can be used for future poverty alleviation projects by Wanda and diffuse into nearby regions. The second outcome is that continued development and increased tourism of the Village does not harm the environment. This can be achieved with a proper implementation of the circular economy model which has environmental preservation as the goal. The Pressure, State, Response framework (OECD, 2003) helps identify connections between increased tourism and environmental degradation, which will aid in the understanding of the environmental aspect of the circular economy. The idea of urban carrying capacity (Wei et al., 2015) is also useful in helping determine what Danzhai's tourism capacity looks like, while maintaining a natural environment.

Using the PSR model developed by the Organization for Economic Cooperation and Development (OECD), we can draw inferences about the environmental impacts of increased tourism and human activity

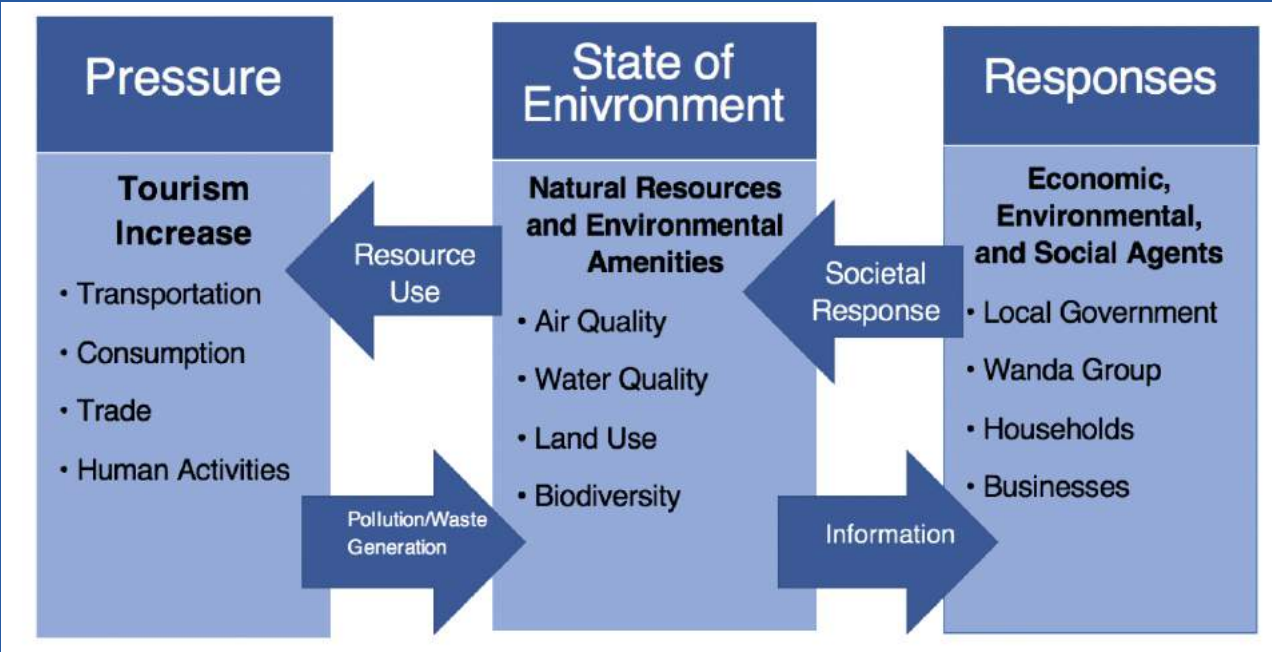


Figure 8: Pressure, State, and Response Model to Identify Environmental Impacts

Environmental pressures describe the effects from human activities exerted on the environment. These pressures highlight the indirect effects, such as human tourism activities, as well as, direct effects such as the use of resources and the discharge of pollutants and waste materials. Environmental conditions relate to the state of the environment and the quality and quantity of natural resources. As such, they reflect the ultimate objective of environmental stewardship. Also, the agent responses in the model are congruent with the environmental recommendations and outcomes. We look to share environmental information, develop environmental awareness, and empower individuals to make positive environmental behavioral changes.

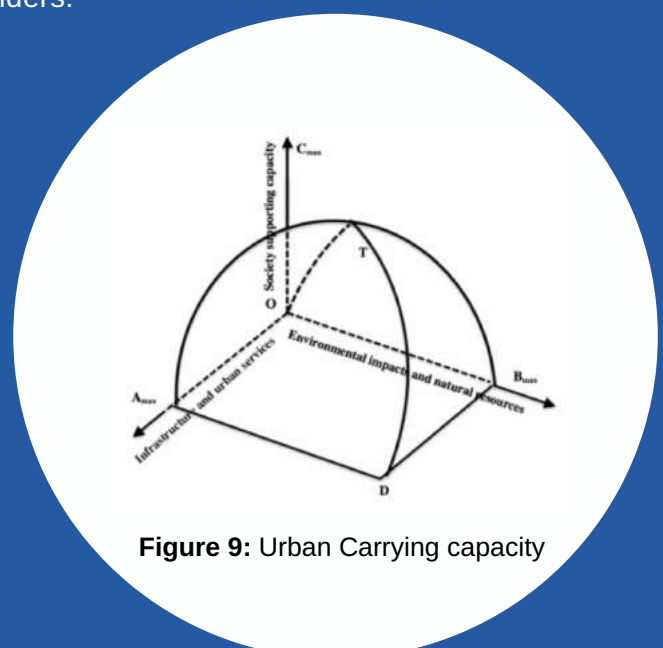
A key driver of the circular economy model is increasing tourism demand, which will increase human presence that bring its share of challenges. Wanda establishing an ecotourism industry is the best option for keeping the environmental quality of Danzhai in pristine condition while alleviating poverty. In the Chinese context, Zhao and Li (2018) highlight tourism being associated with increased waste, water, and air quality reductions, and increased emissions from transportation to attractions. Construction of new attractions or experiences will also cause environmental degradation around the village as Wanda continues to expand. We can understand potential future environmental limits through applying an urban carrying capacity lens on the Village, which has significant practical implications for a balanced relationship between human development and the environment (Yu & Mao, 2002). Each town has an inherent limit for its development and there is significant environmental degradation once Danzhai's tourist capacity is reached. This would lead to a disconnect in the circular economy model, as Danzhai would lose the ability to manage increased waste and pollution as well as protect their natural resources.

A study by Wei et al. (2015) proposes three general principles for developing an effective urban carrying capacity assessment:

- 1) The model should carry complete and holistic information about an urban system and its overall sustainability without omitting key information about subsystems.
- 2) The estimated findings should be easy for urban planners and managers to apply in routine urban management. Ideally, a desirable assessment framework should establish quantifiable criteria for urban actors to monitor and evaluate.
- 3) The assessment results should be easy for understanding and communicating among academia, officials, professionals, and other stakeholders.

Using the carrying capacity concept, the Danzhai region can understand the proper level of tourism and development necessary, while living within the natural limits of the surrounding environment.

Basic diagram of Urban Carrying Capacity from Wei et al. (2015). Point T is optimal combination of A, B, and C. Point D is an unsustainable point where development is pushed too far.



**Figure 9:** Urban Carrying capacity



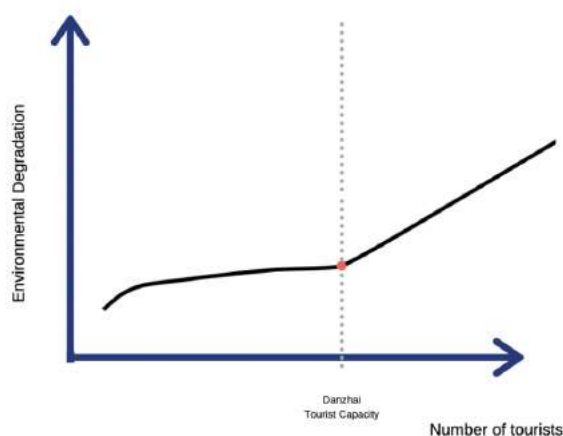


Figure 10: Environmental Impacts of Tourism

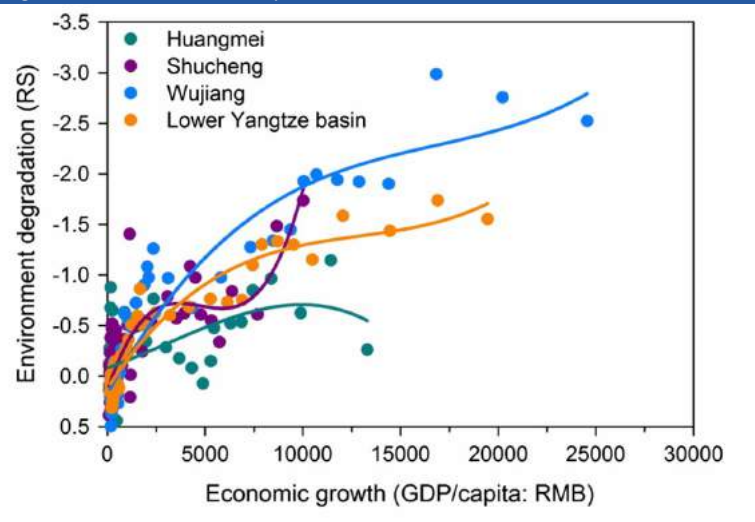
Figure 10 connects the concept of urban carrying capacity and Danzhai tourist capacity with environmental degradation. There is a basic relationship between increasing the number of tourists and environmental degradation that changes once the capacity is reached. This curve is adapted from Zhang et al. (2015), who studied the effects of poverty alleviation on environmental degradation.

# Zhang Case Study

As the regulating services (RS) decline in this graph, significant negative environmental impacts are experienced. Environmental Kuznets curve relationships between environmental degradation (regulating service indices: z scores) and economic growth (GDP/capita: RMB) for Huangmei, Shucheng, Wujiang and the whole Lower Yangtze Basin over the period 1950–2006.

From this case study we must be wary of the environmental impacts of poverty alleviation – it often comes at the expense of the environment. Rapid economic growth over the past 30 years has made China the world's second largest economy, taking more than 600 million people out of poverty (World Bank, 2007). At the same time, environmental deterioration has become a major threat to China's future sustainable development. During the last 60 years, the four areas within the Lower Yangtze Basin experienced a rapid rise in environmental degradation associated with very low incomes followed by leveling out of environmental degradation as incomes increase. The impoverished Shucheng showed rapid environmental deterioration when the annual GDP per capita was below 2000 yuan and then relative environmental stability between 2000 and 8000 yuan. However, there was a sharp environmental decline in recent years as the GDP per capita exceeded 8000 yuan. In the wealthiest county, Wujiang, the curve indicates a continuing loss of regulating services even while its GDP per capita has exceeded 20,000 yuan. Only Huangmai shows evidence for a recent turning point in the curve towards lower environmental degradation. A key finding of this paper is the need for managers of rapidly changing social–ecological systems in China to develop a deeper, holistic understanding of system dynamical behavior that can underpin successful adaptive management strategies.

Figure 11: Environmental Impacts of Increased GDP



Source: Ke Zhang, John A. Dearing, Terence P. Dawson, Xuhui Dong, Xiangdong Yang, Weiguo Zhang. (2015). Poverty alleviation strategies in eastern China lead to critical ecological dynamics. Science of The Total Environment.



## CONCLUSION: DESTINATION DANZHAI

Through the use of their multipronged development strategy, Wanda Danzhai Village Poverty Alleviation project is solving their overarching goal of alleviating poverty in the region. The WDVPA has increased the average income level of residents, preserved local culture, and created a sustainable tourism industry. To further assist in creating a sustainable outcome, students from the University of Southern California Sol Price School of Public Policy International Lab propose four recommendations for additional improvements.

The first recommendation utilizes a market segmentation strategy to tailor specific trip suggestions to a diverse range of potential visitors, thus increasing the number of domestic and international tourists and propelling Wanda closer to their target of 8 million annual tourists. The second recommendation proposes online and offline service improvements to increase tourist satisfaction and drive business to local craftspeople. The third recommendation suggests four capacity building tactics to ensure the long-term business success of the enterprises in the Village: a small business incubator, training courses, an apprenticeship program to cultivate local talents, and a microlending program. The final recommendation advocates for the implementation of regular community dialogue meetings meant to increase civic engagement and solve problems on-the-ground in a more efficient manner.

Certain limitations exist in our proposal, namely, time constraints in the Village itself and a lack of local government perspective. However, if implemented, our recommendations will increase tourism to the region and improve the long-term sustainability of the Village after Wanda transitions to other projects by strengthening environmental protections, ensuring preservation of culture and familial ties, increasing civic engagement, and move the Village to the circular economy model. This will make the Village self-sustaining for years to come and ensure that when Wanda transfers control of the village to government officials, the gains made at alleviating poverty in the region will continue.

## SOURCES

Alipour, S., Firozjaei, A., & Aryamanesh, S. (2012). Tourism development and exchange of cultures. (Original Article) (Report). Advances in Environmental Biology.pdf.

Blackman, A., S. Afsah and D. Ratunanda. (2000) "How Do Public Disclosure Pollution Control Programs Work? Evidence from Indonesia," Resources for the Future Discussion Paper No. 00-44.

Boulding, Kenneth E. (1966). "The Economics of the Coming Spaceship Earth". H. Jarrett (ed.) Environmental Quality in a Growing Economy, Resources for the Future, Johns Hopkins University Press, Baltimore, MD, pp. 3-14. Available at Universitat de Barcelona Retrieved 26 August 2018, or [dieoff.org](http://dieoff.org) Retrieved 26 August 2018.

Butcher, J. (2011). Can ecotourism contribute to tackling poverty? The importance of 'symbiosis'. Current Issues in Tourism, 14:3, 295-307, DOI: 10.1080/13683500.2011.555526.

Chen,X.,Wang,Z.(2017).Analysis on the Poverty Alleviation Model of Wanda-Dazhai. New Westside.

Chen, Z., Luo, N., Guo Y. Y. (2017) An Analysis of the Impact of Star Reality Show on Rural Tourism --- Take Where Dad Goes as an Example [J]. Urban Geography, 2017.

Chin, C., & Lo, M. (2017). Rural tourism quality of services: fundamental contributive factors from tourists' perceptions. Asia Pacific Journal of Tourism Research, 22(4), 465–479. <https://doi.org/10.1080/10941665.2016.1276465>

China Tourism Academy. (2014). The Survey Report on Domestic Tourist Satisfaction in 2014. Retrieved from: <http://www.ctaweb.org/html/2015-1/2015-1-9-14-14-46221.html>.

Chen, L. (2007). Study on the Exploitation of the Cherry Tourism in Japan. Tourism Academy, 11(3), pp: 11-14.

Clausen, H. B., & Gyimóthy, S. (2016). Seizing community participation in sustainable development: Pueblos Mágicos of Mexico. Journal of Cleaner Production, 111, 318-326.

Corporate Finance Institute, what is a cross guarantee? Retrieved from: <https://corporatefinanceinstitute.com/resources/knowledge/finance/cross-guarantee/>

County Government of Danzhai. (2017). Government Work Report in 2017. Retrieved May 2019, from [http://www.qdndz.gov.cn/dzggk/jjshfz/201802/t20180207\\_3161613.html](http://www.qdndz.gov.cn/dzggk/jjshfz/201802/t20180207_3161613.html)

County Government of Danzhai. (2018). Government Work Report in 2018. Retrieved May 2019, from [http://www.qdndz.gov.cn/dzgk/jjshfz/201802/t20180222\\_3169165.html](http://www.qdndz.gov.cn/dzgk/jjshfz/201802/t20180222_3169165.html)

County Government of Danzhai. (2019). Government Work Report in 2019. Retrieved May 2019, from [http://www.qdndz.gov.cn/dzgk/jjshfz/201902/t20190227\\_3764262.html](http://www.qdndz.gov.cn/dzgk/jjshfz/201902/t20190227_3764262.html)

County Government of Danzhai. (2019). Basic Information of Danzhai County. Retrieved May 2019, from <http://m.v4.cc/News-260830.html>

County Government of Danzhai. (2019). Introduction of Regional Characteristic of Danzhai County. Retrieved May, 2019, from <http://m.v4.cc/News-260830.html>

Dai,W.,Yang,S.(2017).Implementing Targeted Poverty Alleviation to Promote Coordinated Development of Regional Economy --a Case Study of Dazhai County, Guizhou Province.China Collective Economy.

Danzhai Wanda Village. (2019). Retrieved from: <http://dazhai.wanda.cn/>.

France Voyage. (2019). Retrieved from: <https://www.france-voyage.com/cities-towns/grasse-23147/tourist-office-grasse-6049.htm>.

de la Torre, M., MacLean, M. G. H., Mason, R., & Myers, D. (2005). Heritage Values in Site Management Four Case Studies. The Getty Conservation Institute, Los Angeles.

Deng, X.. (2015). Tourism Precision Poverty Alleviation Research. Yunnan University, Yunnan.

D.L. Yu, H.Y. Mao. (2002) Regional carrying capacity: case studies of Bohai Rim area. Journal of Geographical Sciences, 12 (2) pp. 177-185.

Ellen MacArthur Foundation. (2019). Our Mission is to Accelerate the Transition to a Circular Economy. Retrieved from <https://www.ellenmacarthurfoundation.org>

Esty, Katharine (2011) Lessons from Muhammad Yunus and the Grameen Bank Leading Long-term Organizational Change Successfully. Vol. 43 No. 1.

Ezreth, P. (2014). PPP & CPP models for sustainable tourism development in Kerala, tourism in Kerala - an introduction. International Journal of Business and Administration Research Review.

Fawaz-Yissi, M. J., Vallejos-Cartes, R., Tolon-Becerra, A., & Lastra-Bravo, X. (2012). Redefining local participation in sustainable rural development in Chile: the case of small farmers in Nuble Province. International Development Planning Review, 34(3). doi: 10.3828/idpr.2012.17



Goldsmith, R. E., & Tsiotsou, R. H. (2012). Strategic Marketing in Tourism Services(1st ed.). Bingley: Emerald.

Hensengerth, O. (2011). Interaction of Chinese institutions with host governments in dam construction: the Bui Dam in Ghana.

Hiatt S., Woodworth W.(2006) Alleviating poverty through microfinance: Village banking outcomes in Central America. The Social Science Journal 43(3), 471-477, 2006.

Huang Shuqing, Du Jinxin & Li Qing. (2008). Grameen bank model: a case study based explanation.

Jinping, Xi. (October 2017.) "Full text of Xi Jinping's report at 19th CPC National Congress: Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era." Delivered at the 19th National Congress of the Communist Party of China.

Keong, C. H., Tiong, R. L., & Alum, J. (1997). Conditions For Successful Privately Initiated Infrastructure Projects. Proceedings of the Institution of Civil Engineers. Civil Engineering, 120(2), 59-65. doi:10.1680/icien.1997.29328

Klonowski, D. (2007). High-tech incubators in transition economies: a case study of iPark, a venture capital backed internet holding company. Int. J. Technoentrepreneurship, Vol. 1, No. 1. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.625.9831&rep=rep1&type=pdf>

Lalkaka, R. (2002). Technology business incubators to help build an innovation-based economy. Journal of Change Management, 3:2, 167-176. doi: 10.1080/714042533

Langseth., et al. (2007) System and method for revenue generation in an automatic, real-time delivery of personalized informational and transactional data. US Patent 7, 181, 417.

Lee, K. F. (2000). Sustainable tourism destinations: the importance of cleaner production. Journal of Cleaner Production, 9(4), 313-323.

Lewis, D. a., Harper-Anderson, E., & Molnar, L. A. (2011). Incubating Success. Incubation Best Practices That Lead to Successful New Ventures. University of Michigan Institute for Research on Labor, Employment, and the Economy. University of Michigan, Ann Arbor. Retrieved from <https://www.nist.gov/sites/default/files/documents/ineap/Incubating-Success-Report.pdf>

Li, X. (2014). Research on New Media Integrated Marketing Communication in Tourism Destinations. Nankai University, Tianjin.

Lichtenstein, Gregg A., and Thomas S. Lyons. (2001). "The Entrepreneurial Development System: Transforming Business Talent and Community Economies." *Economic Development Quarterly*, 15:1, 3-20.

Ling, R., Wu, B., Park, J., Shu, H., & Morrison, A. (2013). WOMEN'S ROLE IN SUSTAINING VILLAGES AND RURAL TOURISM IN CHINA. *Annals of Tourism Research*, 43, 634–638.

Linster, M. (2003). Organisation for Economic Cooperation and Development. OECD Environmental Indicators Development, Measurement and Use.

Liu, Y., Zhou, Y., & Liu, J. (2016). Regional Differentiation Characteristics of Rural Poverty and Poverty Alleviation Strategies in China. *Bulletin of Chinese Academy of Sciences*. 31(03):269-278.

Luo, Q., & Kong, L. (2015). Tourist Experience of World Expo (2010) Shanghai: A Research Based on Blog Analysis. *Tourism Forum*. 1:13-23.

Lusetyowati, T. (2015). Preservation and Conservation through Cultural Heritage Tourism. Case Study- Musi Riverside Palembang. *Procedia - Social and Behavioral Sciences*, 184(C), 401–406. <https://doi.org/10.1016/j.sbspro.2015.05.109>.

Markley, Deborah M. et al. (2015). "Creating entrepreneurial communities: building community capacity for ecosystem development." *Community Development*, 46:5, 580-598.

Porter, Justine, Danny Fisher-Bruns and Bich Ha Pham. (May 2019). "Anchor Collaboratives: Building bridges with place-based partnerships and anchor institutions." *Democracy Collaborative*.

Martins, J., Goncalves, R., Branco, F., Barbosa, L., Melo, Miguel., Bessa, M. (2017). A multisensory virtual experience model for thematic tourism: A Port wine tourism application proposal. *Journal of Destination Marketing & Management*, 2017, Vol. 6(2), pp: 103-109.

Neto, F. (2003). A new approach to sustainable tourism development: Moving beyond environmental protection. In *Natural resources forum* (Vol. 27, No. 3, pp. 212-222). Oxford, UK: Blackwell Publishing Ltd.

Qiao, L., Wang, S. Q., Tiong, R. L., & Chan, T. (2001). Framework for Critical Success Factors of BOT Projects in China. *The Journal of Structured Finance*, 7(1), 53-61. doi:10.3905/jsf.2001.320244

Qiuju Luo, Lei Kong. (2010) Tourist Experience of World Expo, Shanghai: A Research Based on Blog Analysis. *Tourism Forum*(1), 13-23.

Rios Lorena, and Hernandez, Alejandro (2016). The Impressive impact of village banking in Paraguay. Fomin Group.

- Saufi, A., O'Brien, D., & Wilkins, H. (2013). Inhibitors to host community participation in sustainable tourism development in developing countries. *Journal of Sustainable Tourism*, 22(5), 1–20. <https://doi.org/10.1080/09669582.2013.861468>
- Shahrin, N., Som, A., & Jusoh, J. (2014). Long Journey Travel to Tourist Destination: A Review Paper. *SHS Web of Conferences* 12, 01099 (2014).
- Shi, X., & He, S. (2016). PPP, a new model of targeted poverty alleviation in contiguous poverty areas -- a case study of Qiandongnan Prefecture, Guizhou Province. *Contemporary county economy*, 34-36
- Shortall, S. (2008). Are rural development programmes socially inclusive? Social inclusion, civic engagement, participation, and social capital: Exploring the differences. *Journal of Rural Studies*, 24, 450-457.
- Topic Group of China Tourist Future Study. (2011). Forecast on China Tourism Development Trend in the New Decade. *Tourism Tribune*, 2011, Vol. 26(3), pp: 93-94.
- Tang, H. (2017). Experience and Inspiration of "Enterprise Sponsored the Whole County" Model in Danzhai Poverty Alleviation Practice. *Theory and Contemporary*.
- Tkaczynski, A., Rundle-Thiele, S., & Beaumont, N. (2009). Segmentation: A tourism stakeholder view. *Tourism Management*, 30(2), 169–175. <https://doi.org/10.1016/j.tourman.2008.05.010>
- United Nations World Tourism Organization. (2012, September 25). UNWTO and WYSE Travel Confederation Launch Global Declaration to Promote Youth Travel [Press release]. Retrieved May 30, 2019, from <http://media.unwto.org/en/press-release/2012-09-25/unwto-and-wyse-travel-confederation-launch-global-declaration-promote-youth>
- Village Banking, FINCA's history of microfinance. (n.d.) Retrieved from: <https://finca.org/our-work/microfinance/financial-services/village-banking/>
- Waheed, S., & Hayat, S. (1999). Capacity Building in Public Sector Organisations [with Comments]. *The Pakistan Development Review*.
- Wanda Group. (2014). Wanda holds hands with Danzhai Guizhou for 1 billion yuan in poverty alleviation. Retrieved May, 2019, from [http://www.wanda.cn/2014/special\\_reports\\_1201/30162.html](http://www.wanda.cn/2014/special_reports_1201/30162.html)
- Wanda Group. (2019). About Wanda Group: Corporate Profile. Retrieved May, 2019, from <http://www.wanda.cn/about/group/>
- Wanda Group. (2019). About Wanda Group: Poverty Alleviation Tea Farm Establish. Retrieved March, 2019, from [http://www.wanda.cn/2019/2019\\_0319/39982.html](http://www.wanda.cn/2019/2019_0319/39982.html)

Wanda Group. (2019). About Wanda Group: Social Responsibility. Retrieved May, 2019, from <http://www.wanda.cn/about/responsibility/>

Wang, H., Bi, J. Wheeler, D., Wang, J., Cao, D., Lu, G., & Wang, Y. (2004). Environmental performance rating and disclosure: China's GreenWatch program. *Journal of Environmental management*, 71(2), 123-133.

Wang, Hua. (2005) Environmental Performance Rating and Public Disclosure for Manufacturing and Mining Companies. Development Research Group, World Bank, Washington, D.C.

Wang, H. (2011). Stakeholder dialogue as an institutional strategy for sustainable development in China: The case of community environmental roundtables. The World Bank.

Wang, L., Yao, M., & Wang, Y.. (2011). New Media Marketing for Tourism Companies. *Inner Mongolia Science Technology & Economy*. (05):31-32.

