



## AN EXAMINATION OF THE ADVANCEMENTS IN DIGITAL TECHNOLOGY WITHIN DISAGREEMENT, ALONG WITH THE IMPLICATIONS FOR DIFFERENT CHINESE ENTERPRISES

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### ABSTRACT

A new subset of small and medium-sized enterprises (SMEs) called Born Global has evolved as a direct outcome of the present trend towards globalization: internationalization. Academics in wealthy nations like China have focused too much on the Born Globals. Developed nations like China and more conventional industrial sectors both seem to be home to Born Globals, if the popular Born Global notion is to be believed. Born Globals, a Chinese manufacturing company, and its worldwide expansion was the primary focus of the study. Their curiosity has been aroused by the internationalization goals, tactics, and success factors of the Chinese manufacturing firm Born Global. It provides a theoretical framework for the three areas by drawing on seminal studies in Born Global theory as it pertains to traditional Chinese literature. As part of their study, they also compare and contrast various works of Chinese literature. This article used a quantitative case study methodology. Researchers have used their own concept to choose two Chinese Born Globals manufacturing companies as case studies. The majority of the data was gathered via surveys and Skype interviews. The delivery of the empirical finding component follows the required transcribing phase, in accordance with the structure of the theoretical element. I found the findings of the research to be rather intriguing. A Chinese manufacturing business called Born Globals is looking to grow abroad for a variety of reasons. Among them include capitalizing on advantageous regulations specific to China, avoiding local competition, and enhancing profitability.

**Keywords:** *Innovative concepts, Chinese companies, global corporations, Chinese manufacturing domain.*

### Introduction

The world has watched in awe as China's economy has grown at such a rapid pace since the late 1970s, when the nation started its reform and opening process. While China's economy is now the second biggest in the world, experts predict that it will overtake China's in the next years. Big, competitive Chinese enterprises have also been able to set up shop because to this economic boom (Appiah-Otoo & Song, 2021). On top of that, China's ambitions to become a technological powerhouse have resulted in a meteoric growth in the number of successful local IT companies. Many people have strong opinions about Chinese IT companies. A total of eleven of the top twenty internet corporations have their headquarters in China, and nine of them are situated there. When compared to their foreign rivals, the past and present of these massive Chinese IT companies remains vastly different. This disparity is much more noteworthy. Chinese multinational enterprises are famous all over the world to everyone with a smartphone or computer connected to Wi-Fi, even though the majority of Chinese IT companies target the local Chinese market and Southeast Asia. In this era of globalization, when forming a multinational firm does not always need years of waiting, the following research issue is addressed in this article. Scholarly analyses of the "domestic demand condition" center on the number and calibre of domestic individuals and institutions, together with their buying power, as it relates to the firm's products. Businesses in a domestic demand environment have a higher chance of expanding their audience reach and taking advantage of economies of scale because of this. On the other side, when the home market shrinks or becomes too limited, companies have no choice but to go outside for growth. Smaller domestic



markets in nations with less developed economies are associated with a higher concentration of multinational corporations, the study found. Because Born Global focuses on niche markets, companies, even in very large countries, must cater to customers all over the globe. This has been shown in several case studies carried out in Asian countries. Although individuals in the home market have the financial means to buy, cultural barriers may be limiting their purchasing power. They accomplished this by establishing Born Global, a company that manufactures genital products. This kind of company goes against China's long-standing values, so the moment it opens for business, it starts exporting most of its products (Nugroho & Hamsal, 2021).

### **Background of the study**

The rising significance of global economic integration and new commercial endeavours has led to an influx of companies looking to broaden their horizons by opening offices in other countries. When people talk about the dynamics of global trade, large multinational companies (MNCs) and their enormous financial resources are usually at the center of the conversation. These long-held views hold that multinational corporations (MNCs) often begin their enterprises domestically before progressively growing them abroad, making use of resources like foreign market knowledge. But after the 1980s, when companies started to expand internationally, there was a flurry of activity due to changes in market dynamics (like the rise of specialist market structures), advancements in information and Internet technology, and the acceleration of global economic integration. In the last few decades, a new category of global projects has emerged. Unlike the multinational corporations portrayed in more conventional views of globalization, Born Global enterprises have access to substantial amounts of foreign cash, technology, human resources, and markets (Zaborova et al., 2021). Their early internationalisation and global orientation piqued the curiosity of researchers, who were attracted by this difference. The common understanding is that a "Born Global" firm is one that "strives to derive significant competitive advantage from the use of resources and the sales of outputs in multiple countries" right from the beginning. On the other hand, the term "international new venture" might signify something quite different. On the other side, they may use a quantitative approach to refer to companies as Born Global if they began exporting within three years of their inception and were created after 1976. Sales made in countries other than their own accounted for at least 25% of their total income. Also, many other academics have attempted to merge the two schools of thought. Unique items catered to certain customer subgroups are frequently offered by businesses with really global origins. In the information technology sector, you'll commonly find the "Born Global" group of enterprises that use cutting-edge techniques to develop one-of-a-kind goods. When compared to the conventional method of internationalisation—which is characterized by a lack of gradualness—and the lengthy process of experimentally accumulating knowledge about other markets and operations, Born Global's rapid internationalisation stands out. Given Born Global's incredible success, several experts in the business question its utility and authenticity. The phenomena of Born Global's internationalisation is so complex that no thorough theoretical models or explanations exist (Li et al., 2021).

### **Purpose of the research**

Investigating Born Global's adoption of Chinese production methods is a subset of the researcher's overarching goal. While many may assume that Born Global is fleeing China due to a lack of opportunity, the reality is that the country's industrial sector represents a massive domestic market. They are interested in Born Global's internationalisation and want to know why it happened as they are a Chinese manufacturing company that is heavily engaged in global production. In this area of study, the internationalization of Born Global is quite interesting.



Born Global, a Chinese manufacturing company, has expanded internationally at an astounding rate. In addition, they are interested in learning more about the internationalization processes of these Born Global, Chinese manufacturing businesses. They would want to know whether there is a certain stage for their internationalization operations. The researchers are also trying to figure out why these Born Global Chinese manufacturing enterprises are trying to expand internationally.

### **Literature review**

Businesses that are considered high tech start-ups or international new ventures are those that have a global perspective from the beginning, collaborate with individuals who may not have the requisite skills, and then expand swiftly into faraway markets in many countries. Many empirical research reference these companies. An international new venture was described by the study's authors as a start-up that is planning to employ resources to sell its products in other countries and has global ambitions. This criterion gives more weight to age and value provided. Some businesses, typically called high-tech organizations, may have the luxury of starting their worldwide expansion immediately because of the complex nature of their products. The former provides a more comprehensive history of INVs than the latter, which is more narrowly focused. If a company was founded after 1976, had 25% or more of its revenues come from outside the country, and began exporting within three years of being launched, then, according to a quantitative definition, they are Born Global. However, there are certain problems with these definitions. Most of the Chinese researchers. There are current definitions, but a more precise one is required. They consider a self-sustaining business that can sell its wares globally and swiftly develop internationally thanks to the founders' competence to be an International New Venture. Because of this preoccupation on numerical viewpoints, they choose to use the following definition in their research: If a firm aims to gain a significant competitive advantage via the use of resources and sales of outputs in several countries and achieves a foreign sales volume of at least 25% within three years of its establishment, it is deemed Born Global. Born Global has always considered the whole world to be its marketplace, not only foreign markets as an extension of its home market. Also, at the conclusion of the first quarter, exports account for 25% of Born Global's total sales; this comes after the company has been formed for only two years. The term "Born Global" is most often used to describe a small company that has broken new ground in some area of technology or business. Most of these manufacturers also have an entrepreneurial mentality, therefore they could be hoarding some fresh approaches or ideas. The bulk of Born Global's revenue comes from sales to businesses, and the products often include a lot of useful features. Their research suggests that some Born Global are really Chinese information technology companies. Popular technology is often used by these companies. Their total growth rates are higher, and the rate of increase for exports is much higher than that of domestic sales. Targeting a worldwide niche market is their regular approach instead of developing personalized items. Sweden is supposedly the birthplace of many Born Globals working in the information technology and specialty sectors. However, Born Global found that almost all Chinese enterprises credit superior service and quality as their competitive advantage. The majority of their products are made by specialists in areas that are heavily regulated. A large portion of the group isn't even very computer intelligent (Jiang et al., 2020).

### **Research question**

- What is the effect of communication resources on Chinese businesses?

### **Research methodology**



### Research design:

The quantitative data analysis used SPSS version 25. The odds ratio and 95% confidence interval were used to determine the degree and direction of the statistical association. The researchers established a statistically significant criteria at  $p < 0.05$ . A descriptive analysis was conducted to identify the main features of the data. Quantitative methods are often used to assess data acquired via surveys, polls, and questionnaires, as well as data altered by computing tools for statistical analysis.

### Sampling:

Research participants filled out questionnaires to provide information for the research. Using the Rao-soft programme, researchers determined that there were 937 people in the research population, so researchers sent out 1043 questionnaires. The researchers got 1019 back, and they excluded 31 due to incompleteness, so the researchers ended up with a sample size 988 of.

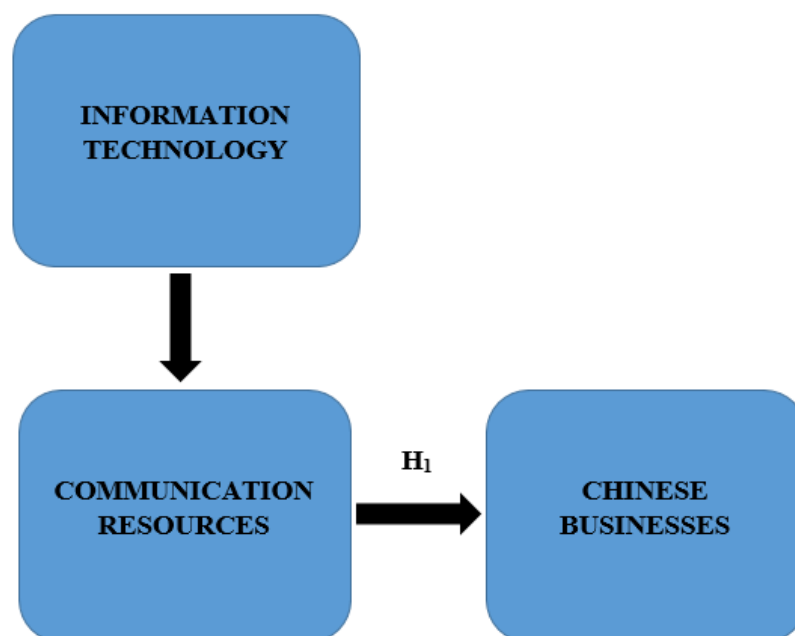
### Data and Measurement:

The primary method for data collection in the research was a questionnaire survey. The survey had two sections: (A) General demographic information and (B) Responses on online and offline channel factors evaluated using a 5-point Likert scale. Secondary data was acquired from many sources, mostly via online databases.

**6.4 Statistical Software:** The statistical analysis was conducted using SPSS 25 and MS-Excel.

**6.5 Statistical Tools:** To grasp the fundamental character of the data, descriptive analysis was used. The researcher is required to analyse the data using ANOVA.

### Conceptual framework





## Result

- **Factor Analysis**

One typical use of Factor Analysis (FA) is to verify the existence of latent components in observable data. When there are not easily observable visual or diagnostic markers, it is common practice to utilise regression coefficients to produce ratings. In FA, models are essential for success. Finding mistakes, intrusions, and obvious connections are the aims of modelling. One way to assess datasets produced by multiple regression studies is with the use of the Kaiser-Meyer-Olkin (KMO) Test. They verify that the model and sample variables are representative. According to the numbers, there is data duplication. When the proportions are less, the data is easier to understand. For KMO, the output is a number between zero and one. If the KMO value is between 0.8 and 1, then the sample size should be enough. These are the permissible boundaries, according to Kaiser: The following are the acceptance criteria set by Kaiser:

A pitiful 0.050 to 0.059, below average 0.60 to 0.69

Middle grades often fall within the range of 0.70-0.79.

With a quality point score ranging from 0.80 to 0.89.

They marvel at the range of 0.90 to 1.00.

Table1: KMO and Bartlett's Test

Testing for KMO and Bartlett's

Sampling Adequacy Measured by Kaiser-Meyer-Olkin .970

The results of Bartlett's test of sphericity are as follows: approx. chi-square

df=190

sig. =.000

This establishes the validity of assertions made only for the purpose of sampling. To ensure the relevance of the correlation matrices, researchers used Bartlett's Test of Sphericity. Kaiser-Meyer-Olkin states that a result of 0.970 indicates that the sample is adequate. The p-value is 0.00, as per Bartlett's sphericity test. A favourable result from Bartlett's sphericity test indicates that the correlation matrix is not an identity matrix.

**Table: KMO and Bartlett's**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.970
Bartlett's Test of Sphericity	Approx. Chi-Square	3252.968
	df	190
	Sig.	.000



Applying Bartlett's Test of Sphericity provided further confirmation of the correlation matrices' overall significance. Kaiser-Meyer-Olkin sampling adequacy is 0.970. A p-value of 0.00 was discovered by researchers using Bartlett's sphericity test. The researcher knows the correlation matrix isn't a correlation matrix since Bartlett's sphericity test produced a significant result.

## ❖ INDEPENDENT VARIABLE

### • Information Technology:

"Information technology" (IT) refers to the infrastructure, processes, and tools used to produce, process, store, and disseminate various types of electronic data. This includes hardware, software, storage, networking, and other physical devices. Although many individuals use technology for leisure or personal reasons, businesses are the most common users of information technology. Computer and telecommunications technologies are both part of information technology and its commercial applications. The phrase "information technology" was first used in 1958 by the Harvard Business Review to differentiate between purpose-built computers and those that could be programmed to carry out a wide range of operations (Habibi & Zabardast, 2020).

## ❖ FACTOR

### • Communication Resources:

The term "communication resources" describes the infrastructure that allows for the transfer of data between humans, businesses, and other devices. Intangible and material components alike make up these resources, which facilitate cross-platform spoken, writing, and digital communication (Liu et al., 2020). For better decision-making, more efficient information flow, and enhanced cooperation in a wide range of personal, professional, and industrial contexts, effective communication tools are important. The term "communication resources" may refer to a broad category that includes many different kinds of software in today's enterprises, including email, video conferencing platforms (like Zoom and Microsoft Teams), instant messaging applications (like Slack and WhatsApp), and workplace collaboration software (including Monday.com, Trello, and Asana). With the help of these digital technologies, companies can link their workers across geographies, provide real-time information, and expedite operations. This promotes seamless cooperation in today's increasingly international workplace. Hardware components that enable different communication functions include things like computers, mobile devices, phones, and networking infrastructure. These resources are also known as communication resources. With the proliferation of wireless and broadband technologies like 5G networks and fiber-optic connections, digital communication has become even faster and more reliable, enabling consumers and organizations to engage more efficiently. There are human-based components that are just as important as technologically-based communication resources. Competence in the target language, the ability to connect with others, and the ability to listen attentively are all cornerstones of good communication. Companies sometimes put money into training programs that help workers communicate better so that they can express themselves clearly, understand one another, and reduce the likelihood of misunderstandings at work. Libraries, electronic databases, scholarly publications, and online learning platforms all fall under the umbrella of communication resources in the academic and research fields, allowing for the exchange of information and the development of collaborative projects. At the same time, corporations use digital advertising platforms, social media, television, and print media to reach and engage their target audiences in the marketing and media industries. In addition, chatbots, voice assistants, and AI-driven customer support systems are new communication resources that have been introduced by advancements





in automation and artificial intelligence (AI). These tools improve the efficiency and responsiveness of customer service operations. These new technologies have revolutionized customer service by allowing companies to respond instantly and tailor their interactions with customers to their specific needs (Qian, 2021).

#### ❖ **DEPENDENT VARIABLE**

- **Chinese Businesses:**

Any company, organization, or endeavour with Chinese roots or Chinese ownership, whether domestic or international, is referred to as a Chinese enterprise. They span a wide range of industries, from banking and technology to agriculture, retail, real estate, and services, and all of them contribute significantly to China's economy and global trade. Chinese enterprises come in many shapes and sizes. The government owns and controls certain businesses; they are known as state-owned enterprises (SOEs). Others are held separately and go under the name of private companies. When it comes to innovation and economic progress, private companies are at the wheel. Finally, there are FIEs, or foreign-invested firms, that are doing business on a global scale. Several Chinese corporations have risen to the top of their industries in recent decades, particularly in the fields of renewable energy, infrastructure development, and technology. Due to their adaptability, effective production processes, and commitment to swiftly growing their firm, they have become well-known. Integrating collectivism and long-term planning, two principles of traditional Chinese culture, with more modern business strategies aimed towards international commerce is characteristic of these firms (Shanmugalingam et al., 2023).

- **Relationship Between Communication Resources and Chinese Businesses**

If it comes to streamlining operations, improving cooperation, and increasing customer engagement, communication resources are crucial for the development, efficiency, and worldwide expansion of Chinese firms. Companies in China must now integrate cutting-edge communication tools and technology if they want to survive in the country's and the world's increasingly competitive marketplaces. Digital transformation and e-commerce are two important areas where communication resources affect Chinese companies. Businesses depend on chatbots, CRM software, and AI-driven messaging systems to improve customer service and guarantee smooth transactions on platforms like Pinduoduo, JD.com, and Alibaba, which are growing rapidly. Crucial in China's cutthroat online economy, these technologies let companies interact with millions of consumers in real time, answering questions and making tailored suggestions. When it comes to minimizing delays and maximizing efficiency, these technologies are used by manufacturing and supply chain organizations to make sure that suppliers, logistics providers, and distributors are all working together smoothly. Furthermore, efficient communication tools are crucial for international corporate growth and cross-border commerce. Since China is one of the top exporters in the world, businesses there rely on global conferencing platforms like Zoom and Microsoft Teams, as well as cloud-based collaboration tools and multi-language translation software, to communicate with foreign partners, negotiate deals, and manage operations across multiple time zones. More robust international commerce ties are the result of these tools' ability to facilitate communication across cultural and linguistic boundaries. Chinese financial tech businesses like Alipay and WeChat Pay use communication resources to make digital payments easy, prevent fraud, and make transactions safe. Immediate replies and customized financial solutions are two ways in which data-driven communication tools and customer assistance enabled by AI improve the user experience. When it comes to government rules and company compliance, communication resources are very essential. To safeguard user data and keep government approval in light of stringent



cybersecurity rules like China's Cybersecurity Law and Data Security Law, firms must guarantee that communication tools adhere to national standards. Businesses can protect sensitive information and stay within legal boundaries with the use of secure internal messaging systems and encrypted communication methods. In conclusion, Chinese companies rely heavily on communication resources, which facilitate a wide range of activities, from dealing with customers and fostering internal cooperation to conducting international commerce and financial operations. Chinese companies will put more faith in AI-powered communication apps, online collaboration platforms, and cutting-edge networking solutions to propel innovation, efficiency, and long-term economic expansion as technology advances (Pradhan et al., 2021).

On the basis of the above discussion, the researcher formulated the following hypothesis, which was analyse the relationship between Communication Resources and Chinese Businesses.

***“H<sub>01</sub>: There is no significant relationship between Communication Resources and Chinese Businesses.”***

***“H<sub>1</sub>: There is a significant relationship between Communication Resources and Chinese Businesses.”***

**Table 2: H<sub>1</sub> ANOVA Test**

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
<b>Between Groups</b>	39588.620	265	5655.517	1055.921	.000
<b>Within Groups</b>	492.770	722	5.356		
<b>Total</b>	40081.390	987			

The results will be noteworthy in this research. With a p-value of .000 (less than the .05 alpha level), the value of F, which is 1055.921, approaches significance. Thus, it follows that, ***“H<sub>1</sub>: There is a significant relationship between Communication Resources and Chinese Businesses”*** is accepted and the null hypothesis is rejected.

## Discussion

Based on what the researchers can gather from Chinese literature, Born Global decided to expand internationally due to the huge demand for such things in foreign markets and the comparatively small size of the local market. Their plight is unrelated to any of these excuses, unfortunately. Two things: one, the Chinese market is massive and growing, and second, these businesses just can't seem to shake the habit of making same old, boring items. So, the theoretical component that introduced the motivating "market demand condition" is no longer there. Two further reasons—"high profits" and "preferential policies"—are discovered throughout the course of the assessment process; they are not mentioned in any Chinese literature but are supported by China's unique political and economic situation. If they want to compete with well-established businesses in that industry, expanding internationally should be their first priority. Companies from Born Global prefer to export directly due to the high level of competition in the local market and the similarity among most enterprises in this area. There is a lot of comparable enterprises and more established sectors in China that provide fierce domestic rivalry, according to both theoretical and empirical studies. That being said, Born Global has to get outside more often.





## Conclusion

Based on their analysis of these two companies, academics have concluded that Chinese Born Globals are going global to gain a competitive advantage, acquire innovative technologies, boost earnings, and take advantage of government subsidies. Regardless, the absurd demand in global marketplaces is too much for any of these businesses to handle. One is China's insatiable need for information, education, and cutting-edge technology; the other is the country's massive profit potential from its inexpensive labour and commodities. In opposition to Born Globals, Chinese literature posits that the pursuit of global resources and massive riches are driving forces behind China's globalization. These criteria show a higher level of Chinese particularity, and one may argue that the study benefited from them. Researchers in the case study identified the entrepreneur's personal and international business networks, geographical location, market entry strategy, abilities, and government policies as significant factors influencing the internationalisation of the Chinese manufacturing company Born Global. Researchers found that whether Born Globals chooses to build their own brands or makes changes to their OEM manufacturing structure, the company's innovation culture will be critical to their future internationalization efforts.

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