

AN ANALYSIS OF THE DIGITAL TECHNOLOGICAL ADVANCES IN CONTROVERSY,
INCLUDING THE CONSEQUENCES FOR VARIOUS CHINESE ENTERPRISES.

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ABSTRACT

As a result of the current trend towards globalisation, a subgroup of SMEs (small and medium firms) known as Born Global has recently emerged: internationalisation. Scholars have paid an excessive amount of attention to the Born Globals from rich countries like China. However, according to the widely accepted Born Global concept, many Born Globals may be found in both traditional industrial sectors and developed countries like China. The researchers zeroed focused on Born Globals, a manufacturing firm based in China, and how it expanded internationally. The Chinese manufacturing business Born Global's internationalisation objectives, strategies, and success factors have piqued their interest. Drawing on foundational works in Born Global theory in classical Chinese literature, it offers a theoretical framework for all three domains. Some comparisons of Chinese literatures are also a part of their research. A quantitative case study technique was used in this paper. The researchers have selected two Born Globals manufacturing businesses from China to function as case studies, based on the definition they have developed. Surveys and video chats with interviewees on Skype served as the main methods of data collection. In line with the structure of the theoretical element, the empirical finding component is delivered after the necessary transcribing phase. The analysis part yielded some interesting results. A number of reasons are motivating Born Globals, a Chinese manufacturing company, to expand internationally. These include avoiding local rivalry, increasing profitability, and taking advantage of favourable policies that are unique to China.

Keywords: Technological Advancements, Chinese Enterprises, Worldwide Corporation, Chinese Industrial Sector.

INTRODUCTION

Ever since the country began its reform and opening process in the late 1970s, the globe has been amazed by China's fast economic progress. The world's second-largest economy is China's right now, but analysts say it will surpass China's in a few of years. This economic expansion has also paved the way for the establishment of big, competitive Chinese companies. Furthermore, China has seen a tremendous surge in the number of thriving domestic tech enterprises, thanks to a strong, state-led push to become a global leader in technology. Chinese IT enterprises are the subject of heated views Deng et al., (2020). People have different opinions on whether they're stealing ideas or developing better items; others say they just copy American ideas

and build lesser copies of them. Nine out of the twenty largest internet companies are based in China, and another eleven are from China as well. There is still a huge chasm between the history and current state of these enormous Chinese IT firms and their international competitors. This discrepancy is far more significant. Although most Chinese IT companies focus on the domestic Chinese market and Southeast Asia, Chinese multinational corporations are well-known throughout the globe to anybody with a smartphone or computer connected to Wi-Fi. This article addresses the following research question in light of the modern age of globalisation, in which establishing a multinational corporation does not always need waiting years. Researchers' discussions of the "domestic demand condition" focus on the quantity and quality of domestic persons and institutions, as well as their purchasing power, in relation to the firm's goods. In a domestic demand environment, this implies that businesses have a better chance of reaching a wider audience and taking advantage of economies of scale. Conversely, when faced with a smaller or more constrained domestic market, businesses are left with little alternative but to pursue foreign markets. Compared to countries with larger domestic markets, those with smaller ones are more likely to have global firms, according to the research. Companies, even in extremely big nations, have to serve to clients all over the world because Born Global targets speciality markets. Several case studies conducted in Asian nations have shown this. Cultural issues may be reducing the potential of the home market, even when people have the capacity to purchase. They did this by founding Born Global, a firm that produces genital items. Upon opening for business, this kind of enterprise immediately begins sending the majority of its goods abroad due to the fact that it goes against China's established principles (Dace, 2020).

BACKGROUND OF THE STUDY

More and more businesses are expanding their operations overseas in search of global prospects brought about by the growing importance of global economic integration and new business ventures. Large multinational corporations (MNCs) and their vast financial resources have long been the centre of attention when discussing the dynamics of international commerce. According to these long-standing beliefs, MNCs often start their businesses in home markets before gradually expanding them overseas, drawing on resources such as foreign market expertise. However, developments in information and Internet technology, changes in market dynamics (such as the emergence of specialist market structures), and the quickening of global economic integration all contributed to a flurry of activity following the 1980s when corporations began to expand internationally. The past few decades have seen the emergence of a whole new class of international undertakings. With their high levels of international capital, technology, human resources, and markets, Born Global companies differed from the international firms depicted in traditional theories of internationalisation. This difference captivated scholars, who were interested in their international orientation and early internationalisation. The term "Born Global" is often understood to refer to a company that "strives to derive significant

competitive advantage from the use of resources and the sales of outputs in multiple countries" from the start. The phrase "international new venture" is used to describe it in another meaning. Conversely, they can use a quantitative definition of Born Global firms as those that started exporting within three years of their formation and were established after 1976. At least 25% of their overall revenue came from sales outside of their own country. Moreover, there are a number of additional scholars who combine the two ideas. Businesses with a truly global origin often provide unique products tailored to certain consumer subsets. The "Born Global" group of companies is most often found in the IT industry, where they use innovative methods to create unique products. Born Global's fast internationalisation stands out from the traditional approach, which is marked by a lack of gradualness and entails a series of incremental choices and a long process where experimental knowledge of foreign markets and operations is accumulated. Some industry insiders have cast doubt on its usefulness and credibility in light of the meteoric rise of Born Global companies. There aren't any comprehensive theoretical models or explanations of Born Global's internationalisation process since the phenomenon is so complicated (Ding et al., 2020).

PURPOSE OF THE RESEARCH

Part of the researcher's larger objective is to learn more about Born Global's internalisation of Chinese manufacturing processes. Contrary to popular belief in China, Born Global really faces a huge domestic market in China's industrial sector, rather than leaving the nation because of a lack of opportunity. Being a Chinese manufacturing business that is significantly involved in global production, they are curious to explore the reasons behind Born Global's internationalisation. The internationalisation process of Born Global is intriguing to this field of research. The rapid global expansion of Born Global, a manufacturing business based in China, is quite remarkable. Furthermore, they are curious to know how these Born Global, Chinese manufacturing enterprises, are undergoing internationalisation. For their internationalisation activities, they would want to know whether there is a certain stage. They are also looking at the reasons behind the internationalisation efforts of these Chinese manufacturing companies that are Born Global.

LITERATURE REVIEW

High technology start-ups, or international new ventures, are companies that think globally from the get-go, build relationships with people who lack the necessary expertise, and then rapidly grow into remote markets across many nations (Giwa et al., 2020). In empirical investigations, these businesses are often cited. The study's authors defined an international new venture as an early-stage business with global aspirations that plans to use resources to market its wares in other nations. Age and value contributed are given more weight in this criteria. Due to the sophisticated nature of their goods, some companies, often referred to as high-tech organisations,

may be able to start internationalising right away. Compared to the latter, which is more focused, the former gives a broader overview of the origins of INVs. Companies are considered Born Global according to a quantitative definition if they were established after 1976, had 25% or more of their sales originate from outside the nation, and started exporting within three years of being created. But these definitions aren't without their flaws. Most of the Chinese researchers. There exist definitions, and there is a need for a more exact one. Their definition of an International New Venture is a self-sustaining company that has the capacity to sell its products all over the world and can quickly expand internationally due to the expertise of its founders. This is why they choose to utilise the following definition in their study, which put a focus on numerical perspectives: A company is considered Born Global if, within three years of its founding, it has achieved a foreign sales volume of at least 25% and plans to get a major competitive advantage via the utilisation of resources and sales of outputs in numerous countries. Rather of seeing international markets as an adjunct to their home market, Born Global has always seen the whole globe as its marketplace. Secondly, Born Global starts exporting items within two years of being established, and at the end of the first quarter, exports make up 25% of total revenues. Most typically, "Born Global" refers to a tiny firm that has achieved a major technological or process breakthrough. The majority of these producers are also very much involved in the entrepreneurial spirit, so they could be sitting on some new ideas or ways of doing things. Industrial applications account for the vast majority of Born Global's product sales, and the goods themselves often have a high degree of value addition. Based on their analysis, it seems that some Born Global are Chinese IT enterprises. These businesses often make use of well-known technology. Their exports have grown at a much quicker pace than their domestic sales, and they've seen greater growth rates overall. Instead of making bespoke products, they usually target a global niche market. The experts say that Sweden is home to Born Globals in the IT and speciality industries. Yet, a survey conducted in China by Born Global indicated that almost all businesses attribute their competitive edge to great service and quality. Most of them produce items in highly specialised fields and operate in industries that are subject to strict regulations. There are many of those who aren't even very tech-savvy (Firsova & Chernyshova, 2020).

RESEARCH QUESTION

What is the impact of production techniques on Chinese businesses?

RESEARCH METHODOLOGY

RESEARCH DESIGN

The quantitative data analysis was conducted using SPSS version 25. The odds ratio and 95% confidence interval were used to ascertain the strength and direction of the

statistical link. The researchers developed a statistically significant criterion at $p < 0.05$. A descriptive analysis was performed to determine the key characteristics of the data. Quantitative approaches are often used to evaluate data obtained from surveys, polls, and questionnaires, as well as data modified by computational 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 & MEASUREMENT

A questionnaire survey served as the principal tool for data gathering in the study. The survey had two sections: (A) General demographic information and (B) Responses on online and offline channel variables assessed using a 5-point Likert scale. Secondary data was obtained from many sources, mostly on internet databases.

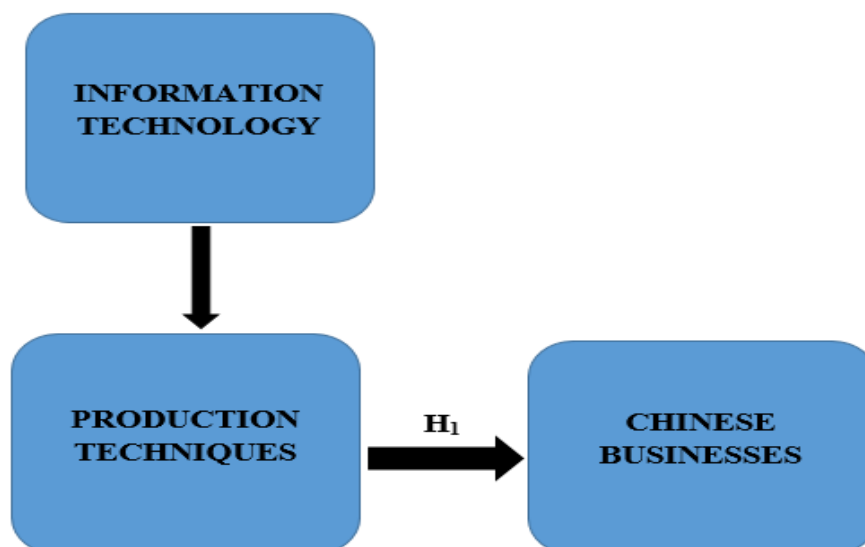
STATISTICAL SOFTWARE

The statistical analysis was conducted using SPSS 25 and MS-Excel.

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



RESULTS

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 .960

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 0.960 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 1: KMO and Bartlett's.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.960
Bartlett's Test of Sphericity	Approx. Chi-Square	3252.968
	df	190
	Sig.	.000

This demonstrates that the assertions made in order to carry out a sample are valid. Utilising Bartlett's Test of Sphericity, the researchers evaluated the correlation matrices for their significance. According to the Kaiser-Meyer-Olkin measure, an excellent sample is one with a value of 0.960. The p-value obtained from Bartlett's sphericity test is 0.00. The correlation matrix differs from an identity matrix, as shown by the statistically significant findings of Bartlett's sphericity test.

INDEPENDENT VARIABLE

Information Technology: In order to create, process, store, and distribute different forms of electronic data, "information technology" (IT) encompasses a wide range of tools, infrastructure, and procedures, such as computers, storage, networking, and other physical devices. While many people utilise technology for personal or recreational purposes, information technology is more often employed in the context of business activity. The application of information technology in business encompasses both computer technology and telecommunications. Originally coined in 1958 by the Harvard Business Review, the term "information technology" was used to distinguish between computers designed to do certain tasks and those that could be customised to perform a variety of tasks (Greene & Triolo, 2020).

FACTOR

Production Techniques: Finished products and services are the result of a series of steps that begin with raw materials, components, and resources. These steps are known as production procedures. Manufacturing and production processes may be optimised in terms of efficiency, quality, and cost-effectiveness via the use of several approaches. Factors such as industry, product type, and planned manufacturing size might cause them to fluctuate. Numerous production methods exist, each designed to achieve a unique set of operational objectives; these methods include assembly line production, batch production, mass production, and just-in-time (JIT) manufacturing. They also include the use of technology like CAD, robots, and automation to boost efficiency and accuracy. Techniques may also include sustainability measures, such as lowering energy usage and waste, to meet both economic and environmental goals. Final product quality, manufacturing cost, and capacity to satisfy market demand are all heavily influenced by the production

processes used. In order for companies to keep up with the ever-changing global market, these strategies are always being improved by technological advancements and innovative ideas (Huang, 2021).

DEPENDENT VARIABLE

Chinese Businesses: Any organisation, firm, or venture that has its origins in China or is controlled by Chinese people in any capacity, whether locally or abroad, is considered a Chinese business. These companies play a major role in China's economy and international commerce; they cover a broad spectrum of sectors, from manufacturing and technology to banking, agriculture, retail, real estate, and services. There are various kinds of Chinese businesses. Some are called state-owned enterprises (SOEs), and they are controlled by the government. Others are called private enterprises, and they are owned independently. Private enterprises are the ones that are driving innovation and economic growth. Lastly, there are foreign-invested enterprises (FIEs), which are involved in international partnerships or investments. Many Chinese companies have become world leaders in renewable energy, infrastructure development, and technology in the last few decades. They have made a name for themselves because to their flexibility, efficient manufacturing methods, and dedication to quickly expanding their business. Typical of these companies is an integration of collectivism and long-term planning, two tenets of traditional Chinese culture, with more contemporary business techniques geared towards international trade (Li et al., 2019).

Relationship Between Production Techniques and Chinese Businesses: Because modern, efficient production methods are foundational to China's economic growth and worldwide competitiveness, the connection between production techniques and Chinese companies is crucial (Sonko et al., 2023). Companies in China use a broad variety of production methods to increase output per unit of input, decrease unit costs, and sustain their hegemony in sectors including renewable energy, technology, and manufacturing. Innovation, fast industrial expansion, and the ability for Chinese enterprises to adapt to changing market needs are all driven by this dynamic. Chinese companies rely heavily on production methods, such as assembly lines, automation, and just-in-time (JIT) systems, to help them reach economies of scale. This is especially true in the manufacturing sector. China has become a world leader in manufacturing because to these processes, which enable corporations to make items effectively and at a reasonable price (Zheng et al., 2019). To fulfil both local and foreign demand, sectors including electronics, textiles, and consumer products use mass manufacturing processes. Along with more conventional approaches, Chinese companies are now jumping on the bandwagon for cutting-edge production methods including green manufacturing, artificial intelligence (AI), and robots. The country's transformation from a low-cost manufacturer to a pioneer in sustainable and high-tech sectors is mirrored in this change. By using cutting-edge methods, Chinese companies are able to raise their goods' complexity and quality, propelling

them further up the global value chain. Production methods also affect how Chinese companies approach supply chain management, resource utilisation, and environmental effect in their overall strategy. A growing number of Chinese companies are embracing greener, more energy-efficient manufacturing practices to meet the demands of global markets that prioritise sustainability. All things considered, manufacturing methods and Chinese companies have a mutually beneficial relationship. Chinese companies are able to stay ahead of the competition thanks to the constant development and implementation of production techniques. Innovation and improvement in production methods are driven by the size and variety of China's industries. The strength of China's economy and its role as a major participant in the international market are supported by this dynamic connection (Zhao, 2020).

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

“H01: There is no significant relationship between Production Techniques and Chinese Businesses.”

“H1: There is a significant relationship between Production Techniques and Chinese Businesses.”

Table 2: H₁ ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	39588.620	352	5655.517	611.212	.000
Within Groups	492.770	635	5.356		
Total	40081.390	987			

The finding is noteworthy in this research. A p-value of .000 (less than the .05 alpha threshold) approaches significance with an F-value of 611.212. In other words “H1: There is a significant relationship between Production Techniques and Chinese Businesses” is accepted and the null hypothesis is rejected.

DISCUSSION

The large demand for inches items overseas and the relatively limited size of the local market were the primary motivating factors for Born Global's decision to grow globally, according to Chinese literature. Unfortunately, none of these justifications applies to their predicament. First, the Chinese market is enormous and expanding; second, these companies can't seem to get out of their rut of producing generic, outmoded products. Consequently, the motivating "market demand condition" is eliminated from their theoretical part. While reviewing the material, they also come

across two new motivations—"high profits" and "preferential policies"—that are not present in Chinese literature but are backed by China's distinct political and economic scenario. They should prioritise going global if they want to compete with established enterprises in that market. Because there is so much competition in the local market and most businesses in this industry are much the same, Born Global companies prefer to export directly. Both theoretical and empirical research in China point to intense domestic competition in more established industries with lower levels of technology and many similar businesses. And so it is that Born Global must go outside more often.

CONCLUSION

After analysing these two firms, researchers came to the conclusion that Chinese Born Globals are expanding internationally in order to escape intense competition, get access to cutting-edge technology, increase profits, and benefit from government subsidies. Despite this, not a single one of these companies can keep up with the insane demand in international markets. The first is China's enormous profit potential due to its cheap labour and commodities; the second is the country's voracious appetite for international education, cutting-edge technology, and more knowledge. Chinese literature, in contrast to Born Globals, attributes their global growth to motives such as the quest for global resources and enormous profits. One may make the case that the researchers study benefits from these factors, which demonstrate a greater degree of Chinese particularity. Based on their findings, the researchers in the case study concluded that the Chinese manufacturing company Born Global's internationalisation was greatly influenced by the entrepreneur's personal and international business networks, geographical location, market entry strategy, abilities, and government policies. According to the researchers, Born Globals' innovation culture will be crucial to their future internationalisation efforts, regardless of whether the company opts to establish their own brands or makes modifications to their OEM production structure.

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