

# Analysis of the Brand Internationalization Status and Development Environment of Chinese Enterprises

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## ABSTRACT

Driven by the wave of economic globalization in the 21st century, brand internationalization has become an important strategic choice for the enterprise and even the national level. With the internationalization of the market, the transnational of enterprises, the multinational capital and the intensification of competition, the brand has become a key indicator to measure the economic strength of a country or region. Although Chinese enterprises have cost and product advantages in the international market, their brand advantages are relatively weak, which leads to the limited image of Chinese products in overseas markets, and faces intellectual property challenges and dumping charges. To meet this challenge, the Chinese government has included independent innovation and brand building as the focus of the 11th Five-Year Plan since 2005, with the aim of enhancing international competitiveness. However, Chinese enterprises still face many problems in the process of brand internationalization, including the lack of brand strategy, the lack of understanding of the importance of brand internationalization, and the lack of grasp of development models and methods. At present, the theoretical research of brand internationalization has not yet formed a systematic framework, and there is a relative lack of systematic research on enterprise brand internationalization. Moreover, the practical history of Chinese enterprises in this field is relatively short, which provides a broad space for theoretical research and practical exploration. This paper aims to provide theoretical reference and strategic guidance for Chinese enterprises to enhance their brand competitiveness in the international market through in-depth study of the theory and practice of brand internationalization. Through the elaboration of the relevant theory of brand internationalization, the analysis of the development environment of Chinese brand internationalization, and the construction of the development strategy and mode of enterprise brand internationalization, this paper discusses the support system of brand internationalization development, in order to provide systematic theoretical support for the road of brand internationalization of Chinese enterprises.

## KEYWORDS

Brand internationalization enterprise competitiveness; Economic globalization brand value market internationalization

## 1. INTRODUCTION

Brand internationalization, as the product of the global economic system, has become a key indicator to measure the national economic strength and enterprise competitiveness. With the accelerated development of economic globalization in the 21st century, the internationalization of the market, the

transnational of enterprises, the multinational capital and the fierce competition, the brand internationalization strategy is crucial to the development of enterprises and even the country. According to the latest data, the number of well-known brands in the global market has exceeded 100,000, most of which are concentrated in developed countries and emerging industrial countries or regions. In the international market, the number of large multinational companies with annual sales of more than \$20 billion has increased to about 2,000, with the United States and Japan still dominant, with more than 600 and 500 such companies, respectively. These data show that international brands not only have high visibility, strong credibility and huge economic value, but also have high market share, global market coverage and international integration of brand culture.

The purpose of the study is to analyze the current situation and development environment of brand internationalization of Chinese enterprises, and to discuss how Chinese enterprises can realize the transformation from cost advantage to brand advantage under the background of globalization by enhancing brand value and enhancing international competitiveness. Through the analysis of the characteristics of international brands, this paper will construct the development strategy and mode of brand internationalization of Chinese enterprises, and provide theoretical support and practical guidance for the promotion of brand competitiveness of Chinese enterprises in the global market. The research will focus on the challenges and opportunities in the process of brand internationalization, and how to promote the global influence and market position of Chinese brands through innovation and strategic adjustment [1].

## **2. RESEARCH STATUS, BOTH AT HOME AND ABROAD**

As a key phenomenon in the process of global economic integration, its theoretical research began in the 1950s, and in the 1980s, scholars such as Levit (Levitt), Qi (Quelch) and Hoff (Hoff), Koff) and Vent (Wind). Since the 1990s, the research of brand internationalization has gradually become a hot spot in the academic circle, forming a diversified research perspective. This research summarizes the four main research directions of brand internationalization: the basic problems of brand internationalization, strategy and mode, the balance between internationalization and localization, and the influence of enterprise system and culture [6]. Especially in the study of internationalization and localization, David. A. Aaker (David A. The "Global Brand Planning management System" proposed by Aaker) has important guiding significance for enterprise practice [10].

However, the existing literature focuses on a single dimension and lacks systematic research on the internationalization of Chinese enterprise brands. In view of the late start of Chinese enterprise brand internationalization, there is a broad space for theoretical exploration and practical application. This study aims to fill this gap, analyze the latest data and literature, such as the status quo, challenges and opportunities of brand internationalization of Chinese enterprises, and put forward corresponding strategic suggestions. The research will comprehensively consider the cultural factors, market adaptability and enterprise internal management mechanism in the process of brand internationalization, in order to provide more in-depth theoretical support and practical guidance for Chinese enterprises in brand building in the global market [9].

## **3. BASIC CONCEPT OF THE BRAND**

As an important logo for enterprises to identify and distinguish their own products or services in the market, its concept and connotation are constantly enriched and developed with the passage of time. For The first time, the American Marketing Association Definition Committee authoritative defines the concept of a brand as a combination of names, terms, markers, symbols, or designs to identify and distinguish the product or service [3] of different sellers. Philip Kotler further explained the essence of brand, believing that brand is not only the transmitter of quality assurance, but also a composite embodiment of [2] of a series of specific attributes, interests, values, culture, personality and

consumer types. Huang Changfu sees the brand as a three-dimensional complex, including the functional elements of products and services, the image elements of manufacturers and products, and the psychological elements of consumers. From the perspective of the relationship contract, Wang Xinxin emphasizes that the brand is the collection of emotional relations and social relations between enterprises and customers, and is the key [4] for enterprises to maintain a long-term and stable transaction relationship and win customer loyalty.

In the context of globalization, the current situation and development trend of Chinese enterprise brand internationalization have become the focus of academia and industry. The purpose of this study is to deeply analyze the current situation of brand internationalization of Chinese enterprises, explore the development environment of brand internationalization, and propose the strategies and paths of Chinese enterprise brand internationalization based on the latest academic research and market data. By integrating the research results of domestic and foreign scholars, this research will reveal the multi-dimensional value and strategic significance of brand internationalization, and provide theoretical guidance and practical reference for the brand building and development of Chinese enterprises in the global market [7].

### **3.1. Brand Characteristics**

As the core asset of an enterprise, the characteristics of the brand reflect the unity of intangible and tangible, finite and infinite, simple and complex, and strong and fragile. Brands contain not only tangible assets, such as products, services, and market performance, but also intangible assets, such as reputation, customer loyalty, and intellectual property rights. [5] Although these intangible assets originate from tangible assets, they are independent and can be converted into significant commercial value. The value of a brand is evaluable and tradeable in certain circumstances, and has the potential to continuously increase in value, and can theoretically grow indefinitely.

The impression of a brand in the minds of consumers is simple and clear, easy to identify and remember, which is the key to brand communication and market positioning. However, behind this simplicity lies complex connotations, including the quality of goods, the values and culture of the enterprise. Brand is not only a trademark or graphics, it also carries the comprehensive image of the enterprise and the emotional identity of consumers. At the same time, the brand is legally protected, and it has a certain stability and risk-resistance ability. But brands are also vulnerable to market changes, consumer preferences and the competitive environment. Therefore, brand management requires continuous efforts and innovation to maintain and enhance brand value.

In the current global market environment, the current situation and development environment of Chinese enterprise brand internationalization are particularly critical. This study will deeply analyze the characteristics and challenges of the internationalization of Chinese enterprises' brands, and discuss how to promote the growth of brand value and the promotion of international competitiveness through brand management strategies. The research will be based on the latest market data and academic research to provide theoretical guidance and practical strategies for the brand internationalization of Chinese enterprises.

### **3.2. Development Status of Chinese Brands in the Global Economy (Effectiveness of Chinese Brand Development)**

The development effect of Chinese brands is mainly reflected in two aspects: First, domestic brands gradually occupy a dominant position in the domestic market. With the integration of the global market, the Chinese market has become an important part of the global market, and domestic brands have realized the integration with international brands in the brand structure in the field of consumer goods. According to the latest data, domestic brands have taken a significant advantage in a number of consumer goods fields, which is due to the enterprises' attention to and investment in brand cultivation, as well as the technological progress and management level brought about by the reform

and opening up. Especially in the field of home appliances, domestic brands with technology introduction and innovation, and international brands are narrowing the gap, and have obvious advantages in sales network, after-sales service and price. Secondly, the concentration of brands in the domestic market is increasing day by day, and the rise of famous brands has become a major feature of the market. The current Chinese consumer goods market has entered an era with brand competition as the core. The improvement of brand concentration reflects the market preference and demand for quality brands. This phenomenon shows that Chinese brands are actively adapting to and leading the market changes while improving their competitiveness.

### 3.3. The Gap between Chinese Brands and World Brands

In the past two years, the gap between Chinese brands and the world's top brands has been complex and volatile. Some Chinese brands, such as Huawei, Alibaba, Tencent and ByteDance, have made significant progress in their respective fields, both in technological innovation, market expansion and brand value. For example, Huawei has become one of the world's leading technology brands thanks to its strong performance in the communications devices and smartphone markets. According to 2022 data, Huawei's brand value is already more than \$40 billion, narrowing the gap with global tech giants such as Apple, Google and Amazon. Meanwhile, China's e-commerce giant Alibaba and social media giant Tencent have also taken key positions in the global Internet industry. Alibaba's "Double 11" shopping festival has become one of the world's largest online shopping events, while Tencent's wechat and QQ are the most popular social applications around the world. According to 2023 data, both Alibaba and Tencent have capitalized over \$500 billion, approaching or surpassing some US technology companies that have long been the global market leader.

Despite the remarkable achievements of Chinese brands in these areas, there is still a big gap between Chinese brands and the world's top brands in other industries, especially in luxury goods, cars and lifestyle sectors. European luxury brands such as Louis Vuitton, Hermes and Gucci, as well as car brands such as Mercedes, BMW and Audi, still occupy the high end of the market with their long brand history, excellent quality and strong global influence.

Overall, Chinese brands have indeed made some progress in internationalization and brand value over the past two years, especially in the technology and Internet industries. However, compared with the world's top brands, Chinese brands still need to continue to work hard and innovate to narrow the gap in terms of brand recognition, consumer loyalty and global market influence.

**Table 1.** Top 10 most valuable brands in China

brand	the name of firm	Brand value (100 million RMB)
Kweichow Moutai	Kweichow Moutai	10.500
Wuliangye	Wuliangye	2.600
Wechat	Tencent Holdings	2.250
China	Shanghai tobacco	2.150
trill	ByteDance	1.950
tencent	Tencent Holdings	1.750
Pinduoduo	Pinduoduo	1.750
National Cellar 1573	luzhoulaojiao	1.250
Meituan	Meituan	1.200
BYD	BYD	1.000
Ping An Insurance Company of China	Ping An Insurance Company of China	1.000

(This table is a list of some of the most valuable brands in China, based on the 2023 Hurun Brand List.)

As shown in Table 1, we can see that among the most valuable brands in China, Kweichow Moutai tops the list with a brand value of 1,050 billion yuan, far ahead of other brands. Wuliangye ranked second with a brand value of 260 billion yuan. Tencent Holdings has two brands in the top 10, wechat, with a brand value of 225 billion yuan, and Zhonghua and Tiktok ranked fourth and fifth with 215 billion yuan and 195 billion yuan, respectively. Tencent and Pinduoduo tied sixth with brand values of 175 billion yuan. Guojiao 1573 ranked eighth with a brand value of 125 billion yuan.

The list shows the strong influence of Chinese brands in different areas, ranging from alcohol to technology, tobacco, social media and e-commerce platforms. These brands not only have a high visibility and influence in China's domestic market, but also many brands have a significant position in the international market.

On the whole, Chinese brands have shown strong resilience and growth potential after experiencing multiple challenges such as the epidemic. The growth of brand value not only reflects the innovation ability and market competitiveness of the enterprise itself, but also reflects the increasing influence and recognition of Chinese brands on a global scale. With the continuous development of China's economy and the advancement of enterprise internationalization strategy, it is expected that Chinese brands will achieve wider market coverage and higher brand value in the future.

**Table 2.** Top ten famous brands in the world

ranking	company	Brand value / US \$100 million	country
1	Apple (Apple)	5026.80	America
2	Microsoft (Microsoft)	3166.59	America
3	Amazon (Amazon)	2769.299	America
4	Google (Google)	2602.60	America
5	Samsung Electronics Corporation (Samsung)	914.07	Korea
6	Toyota Motor Company (Toyota)	645.04	Japan
7	Mercedes-benz (Mercedes-Benz)	614.14	Germany
8	Coca-Cola (Coca-Cola)	580.46	America
9	nike (Nike)	537.73	America
10	BMW (BMW)	511.57	America

(This table is the top 10 brands in the top 100 Global Brands in 2023, as well as their brand value and countries:)

As shown in Table 2, the ranking and value of globally renowned brands changed significantly from 2005 to 2023. Apple's brand value jumped from not being in the top 20 in 2005 to number one in 2023, with a brand value exceeding \$500 billion, becoming the first brand value breaking this milestone. This reflects Apple's continued innovation and market leadership in technology. Microsoft and Amazon also performed well, ranking second and third, respectively, demonstrating the dominance of technology brands in global brand value.

At the same time, some traditional brands such as Coca-Cola and IBM, while still in the top 20, have declined, which may be related to changing consumer preferences and increased competition in the market. In addition, some new brands such as Tesla and Oracle have made the list, showing the rise of emerging industries and the growth of brand value.

Overall, the growth in brand value is not only dependent on the company's financial performance, but also influenced by factors such as brand strength, market influence and consumer loyalty. With globalization and digitalization, brands need to constantly innovate and adapt to market changes to maintain and enhance their brand value.

#### **4. DEVELOPMENT STATUS AND CAUSE ANALYSIS OF CHINESE INTERNATIONAL BRANDS**

The analysis of the internationalization of Chinese enterprises is the focus of academia and business circles. Although the competitiveness of Chinese brands in the international market has made some progress, there is still a significant gap compared with the world's leading brands. The formation of this gap is the result of a combination of many factors. First of all, Chinese brands are still inadequate compared with international famous brands in terms of innovation ability, brand management and international strategy. Although some Chinese brands, such as Huawei and State Grid, have achieved some success in the international market, overall, Chinese brands still have a lot of room for improvement in the popularity, influence and loyalty of Chinese brands in the international market. Secondly, Chinese brands are limited in their promotion and marketing strategies in the international market. Many Chinese enterprises have insufficient investment in brand promotion in overseas markets, and lack of effective international marketing networks and brand communication strategies, which limits the recognition and acceptance of brands in overseas markets. Thirdly, cultural differences and the complexity of the international market environment are also important factors affecting the international competitiveness of Chinese brands. When entering the international market, Chinese brands need to overcome cultural barriers and adapt to the consumption habits and values in different markets. Finally, the external challenges faced by Chinese enterprises in the process of brand internationalization, such as international trade protectionism and intellectual property protection, also constitute certain obstacles to the international development of Chinese brands.

According to the latest "2023 Top 500 Global Brand Value" research report, the performance of Chinese brands in the international market has improved, but it still needs to strengthen the formulation and implementation of brand internationalization strategy to enhance the global competitiveness of brands. By strengthening brand innovation, optimizing international marketing strategies, deepening cross-cultural exchanges and cooperation, and addressing the challenges of the international market environment, Chinese brands are expected to achieve greater success in the global market.

In the wave of global economy, Chinese enterprises are experiencing a strategic transformation from product competition to brand competition. With the intensification of market competition, brand has become the key factor for enterprises to acquire competitive advantages, and its importance is becoming increasingly prominent. After China's accession to the World Trade Organization (WTO), domestic enterprises not only face the fierce competition from local brands, but also face the challenge of international famous brands. In this context, Chinese enterprises are in urgent need of building a brand internationalization strategy to cope with the dual competitive pressure in the domestic and foreign markets.

Brand internationalization is not only a strategic choice for enterprises to enhance their competitiveness, but also the only way for them to achieve sustainable development. At present, the current situation of brand internationalization of Chinese enterprises is both rapid growth and quality improvement, but it also faces challenges such as low brand recognition and limited influence in the international market. In order to occupy a place in the international market, Chinese enterprises must strengthen brand management and management, enhance brand communication, and enhance the international competitiveness of brands through scientific and technological innovation and cultural integration.

In addition, in the process of promoting brand internationalization, Chinese enterprises should also make full use of digital technology, accelerate the global layout of the brand, and actively participate in the formulation of international rules, so as to enhance the global influence of the brand. Through these strategic measures, Chinese enterprises can not only gain competitive advantages in the global market, but also contribute to the country's economic development and the promotion of international status [8].

## 5. SUMMARY

This paper deeply discusses the current situation and challenges of brand internationalization of Chinese enterprises in the wave of globalization. Brand internationalization is of great significance for enterprises and even national strategies. Although Chinese companies have advantages in cost and products, their brand influence is relatively weak, which limits their image in the international market and suffers from intellectual property and dumping issues. Since 2005, the Chinese government has made independent innovation and brand building the focus of the 11th Five-Year Plan to enhance its international competitiveness. However, Chinese enterprises still face many challenges in brand internationalization, including the lack of brand strategy, the lack of understanding of the importance of brand internationalization, and the lack of grasp of development models and methods. At present, the theoretical research of brand internationalization has not yet formed a systematic framework, and the systematic research of enterprise brand internationalization is relatively insufficient. The practical history of Chinese enterprises in this field is relatively short, which provides a broad space for theoretical research and practical exploration.

This paper aims to provide theoretical reference and strategic guidance for Chinese enterprises to enhance their brand competitiveness in the international market through in-depth study of the theory and practice of brand internationalization. By analyzing the development environment of Chinese brand internationalization, constructing the development strategy and mode of enterprise brand internationalization, and discussing the support system of brand internationalization development, so as to provide systematic theoretical support for the internationalization of Chinese enterprise brand.

## CONFLICT OF INTEREST

The authors of this study declare that there are no financial or personal conflicts of interest that may affect the findings and conclusions of the study. None of the individuals or institutions involved in the study have received any form of direct or indirect funding from any commercial entity, ensuring the objectivity and impartiality of the study.

## ACKNOWLEDGEMENTS

The authors wish to thank all individuals and institutions who provided support and assistance for this study. Special thanks to Zhejiang Yuexiu University of Foreign Languages and Philippine Christian University Center for International Education for providing academic resources and research environment. Meanwhile, the authors express their heartfelt thanks to their colleagues, peer reviewers and readers who provided valuable comments and feedback. Without their support and contribution, the completion of this study will not be possible. Finally, the authors appreciate Warwick Evans Publishing for her professional guidance and help in the publishing process.

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