Comparative Research on the Internationalized Business Strategies of China and U.S. Multinational E-commerce Companies

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Abstract. This paper conducts comparative research on the internationalized business strategies of Chinese and U.S. multinational technology companies, with a specific focus on E-commerce. It begins by examining the global macroeconomic context, including features of the world economy and the opportunities and challenges faced by multinational tech companies in their international operations. It then assesses the global competitiveness of Chinese and U.S. e-commerce industries through international market share analysis, trade competitiveness indices, and revealed comparative advantage indices. Subsequently, a comparative analysis is conducted for two multinational tech giants, Alibaba and Amazon, considering their management capabilities, financial performance, investment outcomes, and growth potential. The aim of this paper is to enhance understanding of the internationalization strategies of Chinese and American e-commerce firms, their competitive standings, and provide insights for future international business decisions in the e-commerce sector.

Keywords: Internationalized Business Strategies, Chinese and U.S. E-commerce Companies, Alibaba, Amazon.

1. Introduction

As globalization advances, an increasing number of multinational E-commerce companies have started to consider foreign markets. Currently, trade tensions, political instability, debt issues, and aging populations are all factors that are affecting the slowdown of global economic growth. Due to the COVID-19 pandemic in recent years, countries and regions have faced rising labor costs, depreciated currencies, and increasing prices of raw materials and currencies, all of which have contributed to inflation. Meanwhile, changes in the macroeconomic landscape will indirectly impact the efficiency and effectiveness of multinational corporations' internationalization strategies. The macroeconomic environment greatly influences the formulation and execution of development strategies by multinational corporations. In the current era of global economic integration, transnational corporations (TNCs) are compelled to adapt their internationalization strategies to the evolving macroeconomic landscape. Macroeconomic instability and unpredictability can significantly affect the development strategies of transnational corporations.

The rapid development and expansion of the global Internet industry have had a significant impact on the world economy. As a key driver of globalization, the international business strategies of Internet enterprises have emerged as a primary focus of contemporary research [1]. Specifically, Chinese and U.S. multinational E-commerce companies hold prominent positions and exert substantial influence on a global scale. Therefore, it is crucial to conduct a comparative analysis of the internationalization business strategies of these Chinese and American multinational e-commerce companies [2].

2. Macroeconomic Background Analysis of the Chinese and U.S. E-commerce Companies

(i) Characteristics of the Global Economy

Globalization is on the upswing. The liberalization of international trade and the rapid advancement of information technology have both contributed to the integration of the global

economy. This has led to increased interdependence and interconnectedness among economies worldwide, resulting in more unified international markets and a rise in cross-border operations[3]. Consequently, this expansion offers Chinese and American multinational E-commerce companies a broader market and opportunities for collaboration.

The current market is highly competitive, particularly in the E-commerce industry. With the development of the global economy, an increasing number of companies are entering the market, resulting in intensified competition[4]. E-commerce companies from various countries and regions are vying for users and market share. The United States holds a 70% share of the global E-commerce market, while China holds 23%, and other countries hold 7%. Chinese companies, such as Alibaba, have set a precedent in dominating the Chinese market with their Taobao and Tmall platforms, which boast a significant user base. Furthermore, Alibaba has expanded its business in Asian countries and regions, including India and Southeast Asia, in order to compete for a larger international market share. On the other hand, Google, an American company, is the world's largest search engine company, providing widely used search engine services globally. Additionally, Google offers advertising services, cloud computing, and the video platform YouTube, among others. These services have garnered a substantial global user base and wield significant influence. As a result, the competition between Chinese and American multinational E-commerce companies is intensifying on a global scale. To remain competitive, these companies must develop effective internationalization business strategies.

(ii) Opportunities for the Multinational E-commerce Companies

The internationalization of multinational E-commerce companies is being driven by the expanding global market. In terms of international market expansion, both Chinese and American multinational E-commerce companies can capitalize on the widespread adoption of E-commerce technology and the increasing number of global users to further develop international markets[5]. According to a report from GlobeNewswire, the Global Mobile Internet Users Big Data Behavior Report 2019 reveals that there are 4.54 billion connected users. The internet has become an essential part of people's daily lives. Another report states that approximately 4.54 billion individuals worldwide have accessed the internet in the past 12 months, which accounts for nearly 60% of the global population. Interestingly, Thai users have emerged as some of the most enthusiastic internet users, spending an average of 6.66 hours per day online, compared to 6.29 hours per day for Japanese users[6]. This indicates that Chinese and American multinational E-commerce companies can expand their markets and user base through mobile applications.

Technological innovation plays a crucial role in facilitating the international expansion of multinational E-commerce companies. The ongoing global digitalization movement encompasses significant trends, including cloud computing, big data analysis, artificial intelligence, and other technological advancements. As an industry driven by innovation, the E-commerce sector continually witnesses the emergence of new network technologies and business models. By embracing technological innovation, multinational E-commerce companies can enhance their international competitiveness and increase their chances of achieving success in global operations.

(iii) Challenges in Internationalizing Operations

Geographical and Cultural Differences. Various countries and regions exhibit diverse cultural backgrounds and consumption habits, thereby presenting challenges for multinational companies in terms of product positioning, marketing strategies, and service models. Both Chinese and American multinational E-commerce companies must comprehend and adjust to the cultural disparities across different markets. Consequently, they should develop internationalized business strategies that align with the local characteristics.

Changes in the Legal and Policy Environment. The legal and policy environment plays a crucial role in shaping the business activities of multinational E-commerce companies. Adjustments in policies and regulations can introduce uncertainties and risks. Therefore, it is imperative for both Chinese and U.S. multinational E-commerce companies to closely monitor and promptly respond to changes in laws and policies across different countries and regions. The Chinese government has

implemented a series of restrictions and censorship measures on the E-commerce industry, including Google. In 2009, the Chinese government-imposed restrictions on Google's search services within China, rendering Google unable to operate effectively in the country. This was primarily due to government censorship of search results and control over online information. Concurrently, the Chinese government launched its own local search engine services, such as Baidu. Similarly, the U.S. has also imposed controls on E-commerce businesses in China. In 2020, the U.S. government boycotted China's TikTok app due to concerns regarding national security and data privacy. The U.S. government expressed apprehension that TikTok might be sharing personal data of U.S. users with the Chinese government. To address these concerns, the Trump administration issued an executive order mandating the sale of TikTok's U.S. operations to a U.S. company. Subsequently, TikTok reached an agreement with U.S. companies Oracle and Walmart to establish a new entity called TikTok Global and restructure TikTok's U.S. operations in accordance with the requirements set by the U.S. government.

Competition in the industry is intense, and multinational corporations (MNCs) face pressure from both local firms and other multinational competitors in their international operations. Competitors' market share, brand recognition, and resource advantages can create barriers for MNCs seeking to enter and grow in the market. TikTok's entry into the U.S. market poses a challenge to Facebook and its social media platforms, including Instagram and YouTube. These platforms boast a significant number of active users and strong social networks that appeal to young users through features like short video sharing. Moreover, Facebook and Instagram continually update and enhance their offerings to maintain a competitive advantage. Additionally, as a short-video sharing platform, TikTok competes with YouTube, the world's largest video sharing platform, which has a vast user base and a diverse range of content creators.

(iv) Analysis of Macro-Factors Influencing the International Business Strategies of Multinational E-commerce Companies.

Market demand and the competitive environment are crucial factors for Chinese and U.S. multinational E-commerce companies to consider in order to adjust their product positioning and marketing strategies and gain a competitive advantage in the target market. For instance, when a Chinese or U.S. multinational E-commerce company aims to enter the Chinese E-commerce market, it must first understand the preferences, buying habits, and consumption behaviors of Chinese consumers. This understanding will enable the company to tailor its product positioning and marketing strategies to meet these specific needs. Additionally, it is important for these companies to analyze their competitors in the Chinese E-commerce market and assess their own product positioning and market in order to identify their competitive advantages. Overall, a comprehensive understanding of market demand and the competitive environment allows Chinese and U.S. multinational E-commerce companies to better meet consumer needs and gain a competitive edge in this highly competitive market.

Political and Legal Environment. The political and legal environments play a crucial role in the internationalization of Chinese and U.S. multinational E-commerce companies. Firstly, political stability is essential for maintaining stable business operations. Companies must closely monitor political changes in their target countries and regions, including government policy adjustments and shifts in political relations. This will enable them to promptly respond to potential political risks and ensure the sustainable development of their business. Additionally, the friendliness and transparency of the legal environment are also important considerations for companies operating in the international market. Sino-US multinational E-commerce companies must have a comprehensive understanding of the laws and regulations in their target countries and regions to ensure that their business operations are compliant.

Technological innovation and talent introduction are crucial for maintaining the competitiveness of the E-commerce industry. Building a strong talent pool in E-commerce is of utmost importance, as it is the key to the industry's development[7] In this rapidly changing industry, E-commerce companies must prioritize technological innovation and continuously introduce innovative products

and services to meet the evolving market demand. Simultaneously, these companies need to focus on talent acquisition and development. This includes recruiting individuals with specialized knowledge and skills, as well as providing training to enhance the capabilities of existing employees. These efforts are essential drivers of technological innovation and business growth, enabling companies to maintain their market position.

3. Analysis of the International Competitiveness of the E-commerce Industry in China and the U.S.

(i) The International Market Share of the E-commerce Industry in China and the U.S.

Figure 1 illustrates the evolution of the international market share of the E-commerce industry in China and the U.S. between 2005 and 2021. The data reveals a steady increase in China's international market share, rising from 1.3% in 2005 to 8.6% in 2021. Notably, China's E-commerce industry has experienced substantial growth in its international market share, particularly since 2010.

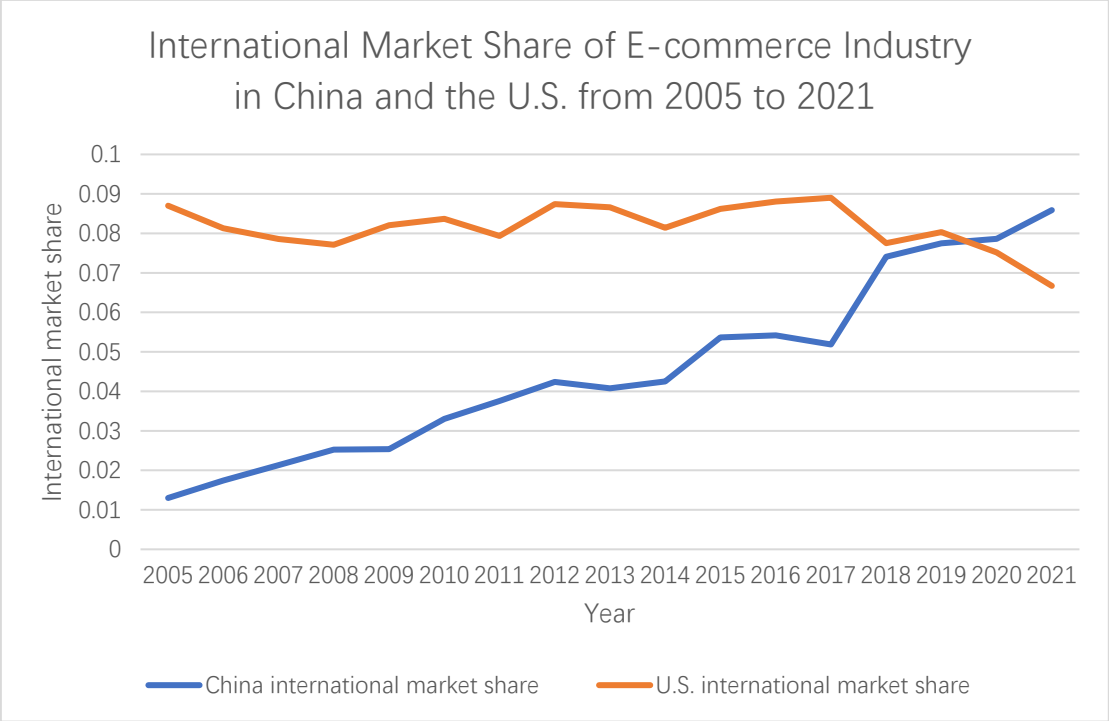


Figure 1. International Market Share of E-commerce Industry in China and the U.S. from 2005 to 2021

Source: United Nations Comtrade Database, https://comtradeplus.un.org/.

Meanwhile, the market share of the United States in the international market has exhibited a relatively consistent trend, experiencing a slight decline from 8.7% in 2005 to 6.7% in 2021. The share of the U.S. E-commerce industry has experienced minor fluctuations in certain years but has generally maintained a stable level.

Overall, the data indicates a gradual increase in China's E-commerce industry's international market share, particularly in recent years, demonstrating significant growth. In contrast, the U.S. market share has exhibited fluctuations over the period, indicating a downward trend. Over time, China has been closing the gap with the U.S. in the international E-commerce market, showcasing its growing position in the global digital economy. However, the U.S. still maintains a competitive advantage in this domain.

(ii) The Trade Competitiveness Index of the E-commerce Industry between China and the U.S.

The table presented in Table 1 illustrates the changes in the trade competitiveness index of the E-commerce industry in China and the United States from 2005 to 2021. These data provide insights into the international competitive landscape of the two countries in terms of the E-commerce industry.

Over the period from 2005 to 2021, China's trade competitiveness index for the E-commerce industry has steadily risen from 0.022 to 0.315. Although there have been some minor fluctuations between 2017 and 2020, China's index value has exhibited a consistent upward trend. It is worth noting that China's competitiveness experienced a more significant increase between 2010 and 2015, which can be attributed to the progressive nature of China's E-commerce industry's rapid development.

Table 1. Trade Competitiveness Index for the E-commerce Industry in China and the U.S. between 2005 and 2021

Year	China	U.S.
2005	0.022	-0.083
2006	0.192	-0.095
2007	0.253	-0.075
2008	0.252	-0.045
2009	0.269	-0.022
2010	0.437	-0.051
2011	0.468	-0.056
2012	0.495	0.004
2013	0.383	0.006
2014	0.305	0.002
2015	0.393	0.033
2016	0.357	0.041
2017	0.183	0.050
2018	0.329	0.083
2019	0.334	0.132
2020	0.283	0.174
2021	0.315	0.162

Source: United Nations Comtrade Database, https: //comtradeplus.un.org/.

The trade competitiveness index of the U.S. E-commerce industry has shown a significant increase from -0.083 in 2005 to 0.162 in 2021. During the period from 2005 to 2011, the index for the U.S. remained negative, indicating a relatively weak competitiveness in its E-commerce industry. However, since 2012, the index for the United States has consistently turned positive, with a steady year-on-year increase, suggesting a growing competitiveness in the U.S. E-commerce industry.

In summary, the trade competitiveness index of the United States was lower than that of China between 2005 and 2021. China's competitiveness in the E-commerce sector has been gradually increasing, although it may fluctuate in certain years. Conversely, the competitiveness of the United States has also experienced growth, particularly in recent years, indicating a consistent upward trend.

(III) Analysis of the Comparative Advantage Index in the E-commerce Industry in China and the U.S.

Table 2 presents the changes in the comparative advantage index of the E-commerce industry in China and the United States from 2005 to 2021 [8] In terms of China, there has been a consistent growth trend from 0.45 to 1.33. Particularly since 2010, China's index has experienced a rapid upward trend, increasing from 0.74 to 1.72 in 2019. This indicates that China has achieved a significant competitive advantage in the E-commerce industry and has enhanced its competitiveness in the international market. However, there has been a decline in China's index from 1.72 to 1.33 between 2019 and 2021.

Table 2. Revealed Comparative Advantage Index of E-commerce Industry in China and the U.S. from 2005 to 2021

Year	China	U.S.
2005	0.45	0.62
2006	0.56	0.58
2007	0.57	0.58
2008	0.63	0.58
2009	0.65	0.57
2010	0.74	0.57
2011	0.84	0.55
2012	0.97	0.59
2013	0.96	0.59
2014	1.02	0.56
2015	1.23	0.56
2016	1.32	0.57
2017	1.26	0.59
2018	1.67	0.55
2019	1.72	0.57
2020	1.45	0.54
2021	1.33	0.51

Source: Calculations based on data from the United Nations Comtrade Database.

The comparative advantage index of the U.S. E-commerce industry has remained relatively stable between 0.51 and 0.62 throughout the entire period. This suggests that the U.S. E-commerce industry lacks a comparative advantage and exhibits weak international competitiveness. In comparison, China demonstrates a stronger international competitiveness in the E-commerce industry. China's index shows a consistent upward trend from 2005 to 2021, particularly after 2010, although with some fluctuations in recent years. Conversely, the U.S. experiences a more gradual change in the index over the same period, but with a downward trend.

4. Analysis of International Competitiveness of E-commerce Multinational Listed Companies in China and the U.S.

Alibaba Group, a Chinese E-commerce company [9] and Amazon [10] an American E-commerce giant, have consistently demonstrated strong competitiveness and international influence. They are leaders in the E-commerce industry in their respective countries and have also played a significant role in shaping the development patterns of emerging markets and the global digital economy. The international competitiveness of these two companies can be attributed to their management capabilities, financial strength, investment performance, and development potential. These factors have allowed them to expand their market share globally and drive the growth of the international E-commerce industry. This analysis of their international competitiveness provides an objective assessment of the strengths and weaknesses of the Chinese and American E-commerce industries, offering a deeper understanding of the current situation and future trends in both countries.

Table 3. Comparison of International Competitiveness Indicators of Alibaba and Amazon in 2023

First indicator	Second indicator	Third indicator	Alibaba	Amazon
Management ability	Scale of market	Total market capitalization ($ billion)	2240	14270
		Net profit ($ billion)	727.8	1246
		Total assets ($ billion)	17530	14273
Financial level	Survivability	Current ratio	1.81	0.95
		Gearing ratio (%)	35.44	65
	Profitability	Cost of sales ratio (%)	13.49	77.98
		Net profit margin (%)	58.13	43.81
		Return on total assets (%)	7.61	5.73
		Net Profit Per Capita ($ million)	24.3	45.18
	Growth ability	Year-on-year growth rate of operating income (%)	14	11
		Net Profit Year-on-Year Growth Rate (%)	138	9
Investment performance	Market performance	Beta*	-0.29	-0.53
	Valuation level	PE ratio	20.45	106.58
		Market capitalization ratio	8.99	8.45
Development potential	Growth potential	Percentage of intangible assets(%)	17.51	4.92
		Growth rate of intangible asset (%)	-6.67	11.37
	Research and development capability	R&D expenses as a percentage (%)	6.91	17.19
		Number of Patents	1141	30473
	Degree of internationalization	Overseas business revenue share (%)	9	31.70

Source: Alibaba Group Annual Report, Amazon.com Annual Report, Oriental Wealth Network

Table 3 presents the findings of a study on the international competitiveness of listed companies. The study involved the development of an international competitiveness index system specifically for Internet listed companies. It also involved a comparative analysis of the international competitiveness of Alibaba and Amazon across four dimensions: management ability, financial level, investment performance, and development potential.

In terms of management capability, three tertiary indicators, namely total market capitalization, net profit, and total assets, are utilized for comparative analysis. Total market capitalization represents the total value of shares obtained by multiplying the total number of shares by the share price during a specific period, thereby indicating the market size of the two listed companies in the international E-commerce market. As presented in Table 4, Alibaba's total market capitalization is $224 billion, while Amazon's total market capitalization is $1427 billion, indicating that Amazon surpasses Alibaba in terms of market size, with a market capitalization nearly six times that of Alibaba. Moreover, total market capitalization also signifies investors' confidence in the company's future growth and market position.

Amazon, being one of the largest online retailers globally, possesses an extensive product inventory and enjoys a significant market presence. The substantial market capitalization of Amazon reflects the highly favorable perception of its business model and anticipated growth. Table 4 illustrates that in 2022, Alibaba's net profit amounted to $72.78 billion, whereas Amazon's net profit reached $124.6 billion. This discrepancy of approximately $52 billion indicates that Amazon surpasses Alibaba in terms of both scale and profitability, specifically in net profit.

In terms of profitability segments, both Alibaba and Amazon are globally recognized E-commerce companies that operate in various markets and regions. However, there are differences in their market focus. Alibaba primarily operates in China and other Asian markets, whereas Amazon operates globally with a primary focus on the North American market. Nevertheless, Amazon has also expanded its business in other regions, including Europe, Asia, and Oceania.

Overall, Amazon has a significant global market presence and generates substantial net profit. On the other hand, Alibaba holds a dominant position in the Asian market. Based on the comparative

analysis of these two American and Chinese companies, it can be concluded that Amazon surpasses Alibaba in terms of management capabilities.

In terms of financial level, this study utilizes three secondary indicators - survivability, profitability, and growth ability - along with eight tertiary indicators for comparative analysis. From the perspective of survivability, the current ratios of Alibaba and Amazon are 1.81 and 0.95, respectively, indicating that Alibaba has better short-term solvency. Additionally, Alibaba's lower gearing ratio (35.44%) demonstrates their prudent management of financial leverage, while Amazon's higher gearing ratio (65%) suggests a potential exposure to greater financial risk. From a profitability standpoint, Alibaba's cost-of-sales ratio is significantly lower (13.49%) compared to Amazon's (77.98%), indicating that Alibaba is more competitive in terms of sales efficiency. Furthermore, Alibaba's net profit margin (58.13%) is higher than Amazon's (43.81%), suggesting that Alibaba earns a higher profit component from operating income. Moreover, Alibaba's return on total assets (7.61%) slightly surpasses Amazon's (5.73%), indicating Alibaba's greater ability to utilize its assets for profitability. On the other hand, Amazon performs better in terms of net profit per capita, with their employees generating $451,800 compared to Alibaba's $243,000. This reflects the greater profitability of Amazon's employees and the higher marginal output of human capital. Overall, the comparative analysis of these indicators provides valuable insights into the financial performance of Alibaba and Amazon.

In terms of growth capacity, there are both similarities and differences in the relevant metrics of Alibaba and Amazon. Firstly, Alibaba's operating revenue in 2022 experienced a year-on-year growth rate of 14%, which is higher than Amazon's growth rate of 11%. This indicates that Alibaba has achieved a relatively high growth rate. This can be attributed to Alibaba's strong performance in the Asian market, particularly in China, where it has maintained high revenue growth. This also reflects the fact that the Asian E-commerce sector continues to be a rapidly expanding market. On the other hand, Amazon's growth rate is somewhat limited as it has reached saturation in the global market. In terms of net profit, Alibaba outperformed Amazon significantly with a staggering year-on-year growth rate of 138%, while Amazon's net profit only grew at a mere 9% year-on-year rate. This highlights Alibaba's impressive progress in cost control, efficiency improvement, and expansion of its profitable business. Overall, these metrics of competitiveness demonstrate that Alibaba has achieved higher growth in operating income and net profit compared to Amazon.

In terms of investment performance, the price-to-earnings (P/E) ratio is a crucial indicator for assessing corporate valuation. The P/E ratio represents the ratio between a company's stock price and earnings per share, reflecting the market's perception of the listed company's future development potential. According to Table 4, Alibaba and Amazon have P/E ratios of 20.45 and 106.58, respectively. This indicates that the market is more optimistic about Amazon's investment value, as its higher P/E ratio suggests that investors are willing to pay higher prices for Amazon's lower earnings per share. This also reflects the market's favorable view of Amazon's high growth potential. On the other hand, Alibaba's lower P/E ratio reflects investors' reluctance to pay a higher price for its lower earnings per share, which is less bullish for the market. However, Alibaba's lower P/E ratio also presents investors with better valuation opportunities and more attractive investment performance.

In terms of development potential, an enterprise's investment in research and development (R&D) and its capacity for innovation are crucial for future competitiveness. The percentage of R&D expenses serves as an important indicator of a company's willingness to invest in the research and development of new technologies, products, and services, which in turn fosters future international competitiveness. Comparing Alibaba and Amazon, it is evident that Amazon invests more resources in R&D, with 17.19% of its expenses allocated to this area, while Alibaba invests only 6.91%. This discrepancy highlights Amazon's commitment to innovation and its dedication to staying ahead in the market. Another significant indicator of innovation ability is the number of patents held by a company. In this regard, Amazon clearly surpasses Alibaba, with 30,473 patents compared to Alibaba's 1,141 patents. This discrepancy further emphasizes Amazon's strength in technological innovation. When

considering the degree of internationalization, which is measured by the percentage of revenue generated from overseas business, Amazon again outperforms Alibaba. Amazon's revenue from overseas business accounts for 31.7% of its total revenue, while Alibaba's stands at 9%. This wider expansion in the international market implies that Amazon has a larger market share and more growth opportunities globally. Overall, Amazon demonstrates higher potential in terms of R&D investment, number of patents, and degree of internationalization [11] aking it a stronger performer in terms of development potential. While Alibaba also excels in certain areas, Amazon's strengths in innovation and international market expansion are more prominent.

In aggregate, although both Alibaba and Amazon are prominent global E-commerce giants, they possess distinct strengths in various domains. Amazon holds a clear advantage in terms of management capabilities and growth potential, whereas Alibaba demonstrates superior financial levels and investment performance. Both companies play a crucial role in the international E-commerce market, yet their competitiveness and business models exhibit unique characteristics, reflecting the diversity and competitive intensity of E-commerce firms in China and the United States.

5. Analysis of Internationalization Strategy: A Case Study of Alibaba

Alibaba Group, the prominent E-commerce and technology giant in China, has been actively promoting its internationalization strategy to expand its market reach and achieve global business growth. This section will comprehensively analyze Alibaba's internationalization strategy, delving into its motivations for entering the international market and the outcomes it has attained. Additionally, a comparison will be made between Alibaba's international business revenue share and that of Amazon, emphasizing the potential for enhancement in Alibaba's internationalization strategy.

(i) Analysis of Alibaba's Motivation to Enter the International Market

Prior to internationalization, Alibaba encountered several challenges. By 2013, Alibaba was approaching saturation in the domestic market, which was fiercely competitive, and sought opportunities for new growth. These growth challenges encompassed the need to achieve sustained growth and avoid getting trapped in a profitability bottleneck. Furthermore, the company had to consider domestic policy risks, as changes in policy could potentially have a negative impact on its business.

Alibaba's internationalization strategy is driven by multiple motivations. Firstly, the company aims to expand its market share and facilitate business growth by targeting users on a global scale. Secondly, internationalization allows Alibaba to increase the scale of its product sales, leading to higher sales revenues, enhanced profitability, and increased market share. This strengthens the company's position in a highly competitive market. Thirdly, internationalization enhances the value of global products, attracting more potential customers, increasing sales opportunities, and establishing product leadership in the market. Fourthly, implementing an internationalization strategy helps to mitigate domestic policy risks and reduce overdependence on a single market, thereby minimizing potential business risks. Finally, internationalization also enhances the company's ability to operate in the international market, accumulate valuable international experience, and further improve its competitive strength in the global market. These factors collectively promote the formulation and implementation of Alibaba's internationalization strategy, providing a solid foundation for the company's globalization.

(ii) Analysis of Alibaba's Internationalization Strategy

In terms of target market selection, Alibaba has chosen several key international markets, namely Southeast Asia, India, Europe, and the United States. These markets are appealing due to their large population size, economic scale, and E-commerce potential. Furthermore, Alibaba has bolstered its position in these markets through investments and strategic partnerships.

Alibaba strategically times its entry into international markets, as demonstrated by its successful acquisition of Lazada, a Southeast Asian E-commerce platform, in 2016. This move allowed Alibaba to tap into the region's growing E-commerce market. According to documents released by Singapore's

Accounting and Corporate Regulatory Authority (ACRA) [12] Alibaba injected $845 million into Lazada on July 19. This ability to adapt and choose the right moment is a crucial factor in Alibaba's successful internationalization.

Alibaba's business strategy in international markets encompasses localized operations, strategic investments, and joint ventures. Localized operations involve adapting to the needs and culture of local markets, as well as providing products and services that cater to the preferences of local consumers. Additionally, Alibaba has expanded its international presence through strategic investments and acquisitions, thereby enhancing the company's global competitiveness. Furthermore, in 2018, Alibaba formed a joint venture called Global Sizzler (Russia) with a Russian state-owned fund, Russia's Mail. Ru, and MegaFon. The objective of this venture is to establish a comprehensive online service platform that integrates E-commerce, social media, and entertainment. This platform aims to offer a unique shopping and entertainment experience, while also gaining access to a large user base in order to explore new markets and increase profit potential. These endeavors highlight Alibaba's proactive approach to global expansion.

Alibaba's internationalization strategy has yielded remarkable outcomes. The company's market share in international markets has been consistently expanding, accompanied by a steady increase in revenues. In certain markets, Alibaba has demonstrated robust competitiveness when compared to rivals like Amazon. Nevertheless, the company encounters intense competition and brand recognition obstacles in the European and American markets.

In conclusion, Alibaba's internationalization strategy is a commendable endeavor that presents growth opportunities and diversified revenue streams for the company. Nevertheless, there is scope for Alibaba to enhance its presence in the international market in comparison to its competitor, Amazon. To maintain competitiveness and achieve sustainable growth, the company must consistently refine its internationalization strategy to augment its global market share.

6. Conclusion

This paper presents a comparative study on the international business strategies of Chinese and U.S. multinational technology companies, with a focus on E-commerce. Firstly, it analyzes the global macroeconomic context, including the characteristics of the world economy, as well as the opportunities and challenges faced by multinational technology companies in their international operations. Secondly, it assesses the international competitiveness of the Chinese and U.S. E-commerce industries through an analysis of international market share, trade competitiveness index, and revealed comparative advantage index. Subsequently, a comparative analysis is conducted for two multinational technology companies, namely Alibaba and Amazon, in terms of their management capabilities, financial performance, investment performance, and development potential. This paper aims to enhance understanding of the internationalization strategies of Chinese and American E-commerce companies, as well as their competitive positions, and provides valuable insights for future international business decisions of E-commerce companies.

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