



**A CASE STUDY OF THE IMPACT OF MARKET ENTRY
STRATEGIES ON INTERNATIONAL GROWTH OF TIANHUA
ELECTRONICS**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
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This Independent Study Has Been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

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(Dr. Zhang Li)

Date:/6...../5...../2025.....

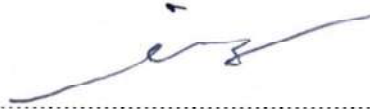
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ABSTRACT

This study examines the factors influencing the international growth of Tianhua Electronics, focusing on market knowledge, commitment to foreign markets, and strategic alliances. With the increasing global expansion of Chinese firms, understanding how these variables contribute to a company's success in international markets is essential. The study's objectives are to examine the relationships between market knowledge, foreign market commitment, strategic alliances, and the international growth of Tianhua Electronics, based on the Uppsala internationalization model.

A quantitative research design was used, and data were collected through a structured questionnaire distributed to 220 managerial staff members involved in Tianhua Electronics' international operations. A total of 185 valid responses were received. The study employed descriptive statistics to summarize the data, and inferential statistical methods, including Pearson correlation analysis and multiple regression, were applied to test the hypotheses.

The findings reveal that all the three independent variables, market knowledge, commitment to foreign markets, and strategic alliances, positively and significantly influence international growth. Strategic alliances had the strongest correlation, indicating that partnerships with local firms and collaboration in foreign markets are key drivers of success. Market knowledge was also a strong predictor of growth, while commitment to foreign markets, though significant, showed a slightly weaker influence than anticipated.

In conclusion, this study highlights the importance of strategic alliances and market knowledge in driving international growth. Tianhua Electronics should continue to strengthen its partnerships and market research capabilities to sustain its international expansion. The findings provide valuable insights for firms seeking to optimize their

internationalization strategies and suggest that future research could explore the role of technological innovation and cultural differences in international growth.

Keywords: market knowledge, commitment to foreign markets, strategic alliances, Uppsala internationalization model



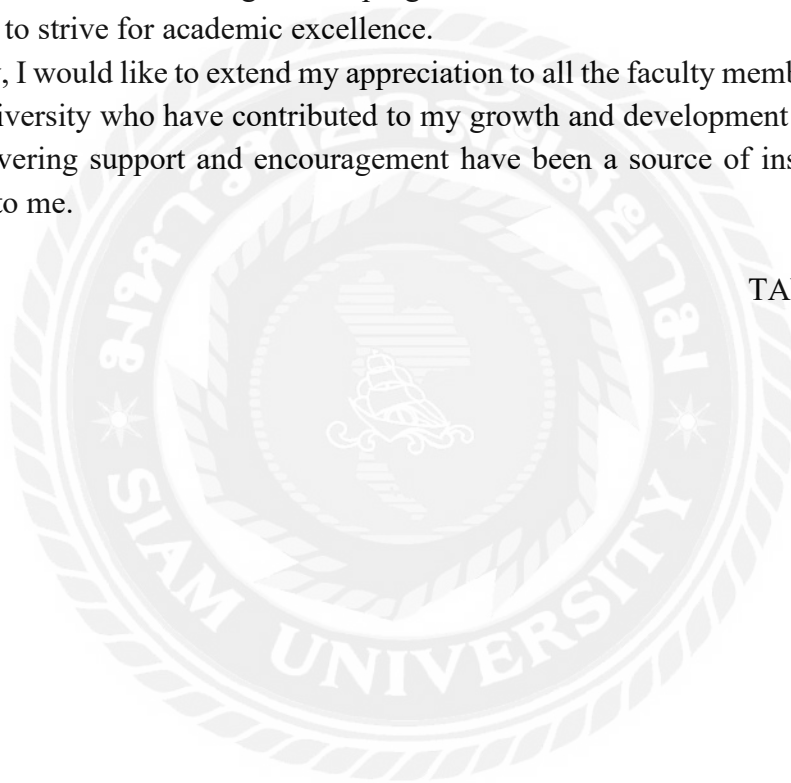
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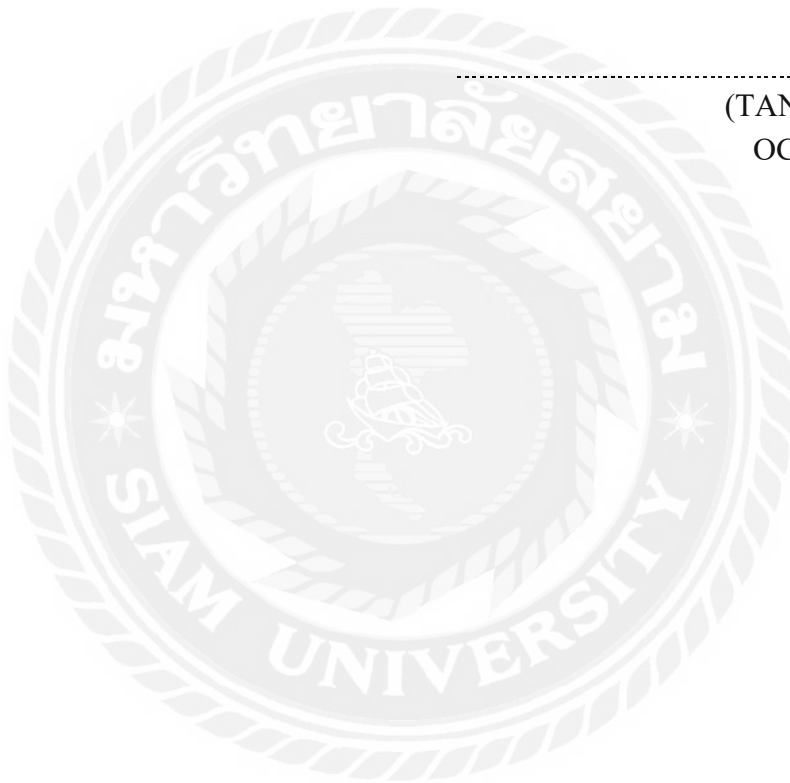


DECLARATION

I, TANG JIAREN, hereby declare that this Independent Study entitled “A CASE STUDY OF THE IMPACT OF MARKET ENTRY STRATEGIES ON INTERNATIONAL GROWTH OF TIANHUA ELECTRONICS” is an original work and has never been submitted to any academic institution for a degree.

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(TANG JIAREN)

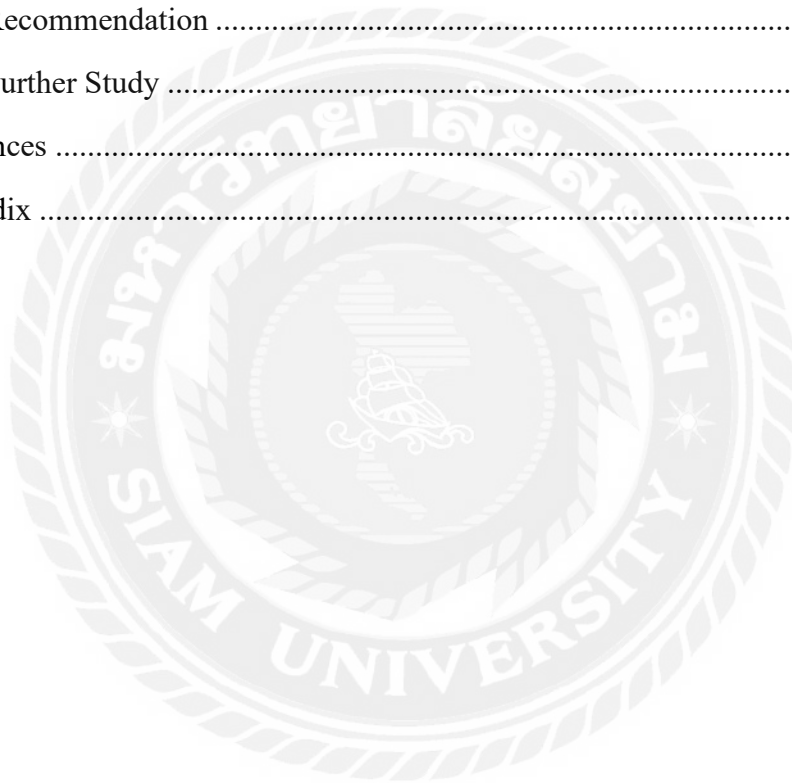
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Chapter 1 Introduction

1.1 Background of the Study

The internationalization of firms, particularly in the electronics industry, has become a critical focus of research due to the global expansion of technology-driven markets. For firms such as Tianhua Electronics, successfully entering and expanding in foreign markets is fundamental to ensuring long-term competitiveness. The Uppsala Internationalization Model, which emphasizes incremental steps in market expansion based on experiential learning and commitment, has become a relevant framework for understanding the international growth of firms. This model suggests that firms gradually increase their foreign market involvement as they gain knowledge and resources (Johanson & Vahlne, 1977).

China's electronics sector has experienced rapid international growth over the past two decades, driven by technological innovation and supportive government policies. Firms like Tianhua Electronics are increasingly exploring international markets to diversify revenue streams and reduce domestic market dependency. As noted by Li (2022), Chinese electronics firms face intense competition domestically, pushing them to adopt internationalization strategies that leverage their technological strengths. The international growth of Chinese electronics companies has been linked to their ability to acquire foreign market knowledge and establish strategic partnerships (Wang & Zhang, 2021). These factors enable firms to adapt their products and operations to meet the demands of diverse international markets, which, in turn, accelerates their growth.

In recent years, the commitment of Chinese electronics firms to foreign markets has also grown. A firm's commitment level, in terms of resource allocation and long-term engagement in foreign markets, is critical for sustainable growth (Liu & Hu, 2022). Tianhua Electronics, for example, has expanded its presence in several key international markets through joint ventures and strategic alliances, allowing it to share risks while gaining a foothold in competitive regions. This strategic approach aligns with the findings of He, Chen, and Li (2020), who highlighted that Chinese firms increasingly form alliances with foreign companies to enhance market entry success.

Tianhua Electronics is now at a critical juncture in its internationalization process. As firms like Tianhua accumulate market knowledge, their ability to make informed decisions regarding foreign market commitment and strategic partnerships grows, enhancing their international competitiveness (Zhang, 2022). Therefore, examining the factors that influence Tianhua's international growth provides valuable insights into the broader dynamics of market entry strategies in the electronics industry.

1.2 Questions of the Study

Tianhua Electronics, like many rapidly growing Chinese electronics companies, faces significant challenges in sustaining its international growth. While the firm has successfully entered several foreign markets, it continues to struggle with building long-term market stability and improving its global competitive position. One of the central issues for Tianhua Electronics is the effective acquisition and utilization of market knowledge to make informed decisions about market entry strategies. Despite the company's initial success in market penetration, its ability to adapt to the rapidly changing technological demands and competitive landscapes of foreign markets remains limited. As highlighted by Liu (2022), Chinese firms often face barriers to acquiring sufficient market knowledge due to differences in consumer behavior, regulatory environments, and local competition, which can slow international expansion.

Tianhua's level of commitment to foreign markets has fluctuated, affecting the firm's ability to establish a strong presence. Research by Zhang and Li (2022) underscores the importance of consistent resource allocation and strategic focus on international markets to drive growth. Without sustained commitment, firms may face difficulties in maintaining relationships with local partners or competitors, leading to potential stagnation in growth. Tianhua's inconsistent approach to resource allocation in foreign markets raises questions about the company's long-term strategic planning.

Another challenge facing Tianhua Electronics is the formation and management of strategic alliances. These alliances are critical for reducing the risks associated with international expansion, especially in unfamiliar markets. However, some of Tianhua's past alliances have failed to deliver the expected benefits, largely due to misalignment in goals and execution strategies (Wang, 2021). This issue has limited the company's ability to leverage foreign partners for market entry, resulting in missed opportunities for collaboration and growth.

The Signaling Theory offers a potential solution to these challenges by addressing the gaps in information asymmetry that often hinder internationalization efforts. This theory posits that firms can reduce uncertainty in foreign markets by signaling their intentions, capabilities, and commitments to key stakeholders, such as potential partners, investors, and regulators (Spence, 1973). For Tianhua, effectively signaling its market knowledge, foreign market commitment, and the strength of its strategic alliances could improve its credibility and trustworthiness in international markets. Research by Li (2021) supports the idea that firms which send clear signals regarding their commitment to foreign markets and the quality of their partnerships are more likely to succeed in international growth.

1. What is the relationship between market knowledge and the international growth of Tianhua Electronics?
2. To what extent does the company's commitment to foreign markets influence the international growth of Tianhua Electronics?
3. What is the impact of strategic alliances on the international growth of Tianhua Electronics?

1.3 Objectives of the Study

1. To examine the impact of market knowledge on the international growth of Tianhua Electronics.
2. To examine the impact of commitment to foreign markets on the international growth of Tianhua Electronics.
3. To examine the impact of strategic alliances on the international growth of Tianhua Electronics.

1.4 Scope of the Study

This study focuses on the international growth of Tianhua Electronics, a Chinese electronics firm, through the lens of the Uppsala Internationalization Model. Specifically, the research examines how market entry strategies, including market knowledge, commitment to foreign markets, and strategic alliances, influence the company's international expansion. The study is limited to analyzing the operations and performance of Tianhua Electronics in its major foreign markets over the past five years, from 2019 to 2024, as this period represents a critical phase in the company's internationalization efforts.

The scope of the research is further narrowed to the quantitative analysis of data collected from the company's financial and operational reports, as well as interviews with key management personnel involved in its international market strategies. The research does not extend to other divisions of Tianhua or other sectors of the electronics industry. Instead, it focuses solely on the company's international activities and the variables outlined in the Uppsala Internationalization Model, such as incremental market commitment and knowledge acquisition.

Geographically, the study focuses on the major international markets where Tianhua Electronics has a notable presence, including Southeast Asia, Europe, and North America. These regions are critical for evaluating the company's international growth as they represent diverse regulatory environments, competitive landscapes, and market dynamics. The analysis does not include emerging markets or regions where Tianhua has a minimal presence. This ensures that the study remains focused on established markets where significant market entry strategies have been implemented.

By concentrating on these elements, this research aims to provide a comprehensive understanding of the factors driving Tianhua Electronics' international growth, offering insights that can inform future strategic decisions regarding its global expansion.

1.5 Significance of the Study

This study is significant both in practical and theoretical terms. Practically, it provides valuable insights for Tianhua Electronics and similar Chinese firms seeking to expand their international presence. As competition in the global electronics market intensifies, understanding the key factors that drive successful international growth is crucial. This research identifies the impact of market knowledge, commitment to foreign markets, and strategic alliances on international expansion, offering actionable recommendations that companies can use to enhance their market entry strategies. For Tianhua Electronics, the findings of this study may serve as a roadmap for improving decision-making processes, resource allocation, and partnership formation in foreign markets, thereby fostering sustainable growth and competitiveness.

Theoretically, this study contributes to the body of knowledge on internationalization by applying the Uppsala Internationalization Model to a Chinese electronics firm. While the model has been widely used to explain the gradual international expansion of firms, its application to companies in China's fast-growing electronics sector is less explored. This study not only fills this gap but also integrates Signaling Theory to address information asymmetries that often occur in international market entry. By examining how Chinese firms like Tianhua Electronics can signal their capabilities and commitment to foreign markets, the research expands the theoretical understanding of internationalization strategies in dynamic, technology-driven industries.

This study provides both practical guidance for firms involved in global expansion and theoretical contributions to the internationalization literature, particularly within the context of China's growing role in the global electronics market.

1.6 Definition of Key Terms

Market Knowledge: In the context of this study, market knowledge refers to the understanding that a company gains about foreign markets, including customer preferences, regulatory requirements, and competitive dynamics. It is measured based on the depth and breadth of information Tianhua Electronics possesses regarding its target international markets. Market knowledge is critical for making informed decisions about market entry strategies (Johanson & Vahlne, 1977).

Commitment to Foreign Markets: Commitment to foreign markets refers to the resources and long-term efforts that a firm dedicates to maintaining and expanding its presence in international markets. In this study, it is measured by the financial

investments, time, and strategic focus Tianhua Electronics allocates to its operations in foreign countries. A higher level of commitment is associated with sustained growth and market share (Zhang & Li, 2022).

Strategic Alliances: Strategic alliances are cooperative agreements between firms that allow them to collaborate on specific projects or market entry efforts without merging or acquiring each other. In this study, strategic alliances are measured by the number and quality of partnerships Tianhua Electronics has formed with local or foreign firms to enter or expand in international markets. The success of these alliances is a key determinant of the firm's international growth (He, Chen, & Li, 2020).

International Growth: International growth refers to the expansion of a firm's operations, market share, and revenues in foreign markets. For Tianhua Electronics, international growth is measured by its increase in sales, profitability, and market penetration in its target international regions over a specified period. Growth indicators are assessed to determine the overall success of the company's internationalization strategies (Wang & Zhang, 2021).

Uppsala Internationalization Model: The Uppsala Internationalization Model is a theoretical framework that explains how firms gradually increase their international involvement through incremental steps based on experiential learning and increased market commitment. This study applies the model to analyze Tianhua Electronics' international growth strategies, emphasizing the role of market knowledge and foreign market commitment in driving expansion (Johanson & Vahlne, 1977).

Signaling Theory: Signaling Theory explains how firms can reduce information asymmetry by sending signals to external stakeholders about their intentions, capabilities, and resources. In this study, Signaling Theory is applied to assess how Tianhua Electronics signals its market knowledge, commitment, and partnership strength to international markets, and how these signals influence its international growth.

Chapter 2 Literature Review

This chapter reviews the key literature relevant to the international growth of Tianhua Electronics, focusing on the factors of market knowledge, commitment to foreign markets, and strategic alliances. The discussion explores how these factors influence a firm's ability to expand successfully into foreign markets. Additionally, the chapter presents an analysis of the Uppsala Internationalization Model, which serves as the theoretical foundation for understanding the incremental process of international expansion. The chapter also outlines the conceptual framework that integrates the key variables and their hypothesized relationships, providing a basis for the research questions and hypotheses. The review is structured to offer a comprehensive understanding of the factors that drive international growth and to identify gaps in the existing literature that this study aims to address.

2.1 Market Knowledge

Market knowledge is a critical component in the internationalization process of firms, as it enables them to better understand foreign markets and make informed decisions regarding entry and expansion strategies. According to Johanson and Vahlne (1977), firms gradually increase their commitment to international markets as they accumulate market-specific knowledge, which helps reduce uncertainty and improves decision-making. This knowledge includes insights into consumer behavior, local regulations, and competitive dynamics, all of which are crucial for successful market entry.

For Chinese electronics firms like Tianhua Electronics, acquiring market knowledge is especially important due to the differences in regulatory environments, cultural preferences, and technological standards in foreign markets. Li (2021) highlighted that the ability to gather and analyze market information is a key determinant of international growth for Chinese companies. Firms with a better understanding of local market conditions can adapt their products and services more effectively, leading to higher market penetration and competitive advantage. This is particularly relevant in the electronics sector, where rapid technological advancements and changing consumer demands require firms to stay well-informed about market trends (Zhao & Liu, 2022).

However, acquiring market knowledge is not always straightforward. Chinese firms expanding into developed markets, such as those in Europe and North America, often face significant barriers, including stringent regulatory requirements and complex distribution networks (Wang & Zhang, 2021). In this context, experiential learning becomes a vital mechanism through which firms gradually accumulate the knowledge

necessary to navigate these challenges. As firms like Tianhua Electronics engage in international operations, they build relationships with local stakeholders and refine their market strategies based on real-world experiences (Chen, 2022).

Another key aspect of market knowledge is the role of technological information. For electronics firms, understanding the technological standards and innovations in foreign markets is critical to success. As noted by Zhang (2022), the ability to access and leverage cutting-edge technology in international markets can significantly enhance a firm's competitive position. Firms that invest in market research and innovation are better equipped to meet the needs of foreign consumers, particularly in markets with high technological demands.

Market knowledge is a foundational element of internationalization, enabling firms to reduce risks and improve their strategic decision-making processes. For Tianhua Electronics, effective market knowledge acquisition will be instrumental in overcoming the challenges associated with its international expansion, ensuring sustained growth in diverse markets.

2.2 Commitment to Foreign Markets

Commitment to foreign markets is a critical factor in determining the success and sustainability of a firm's international expansion. In the context of the Uppsala Internationalization Model, commitment is reflected in a firm's willingness to allocate resources—both financial and human—to foreign operations over the long term (Johanson & Vahlne, 1977). This ongoing commitment is crucial for building strong market positions, establishing relationships with local stakeholders, and overcoming the uncertainties inherent in entering new markets. For firms like Tianhua Electronics, consistent investment in foreign markets is necessary to secure competitive advantages and maintain growth momentum.

Research has shown that firms with a high level of commitment to foreign markets tend to perform better in international contexts. Li (2022) found that Chinese electronics firms that continuously invest in their foreign subsidiaries, whether through capital investment, technology transfer, or talent deployment, exhibit stronger market performance and adaptability. This commitment also allows companies to weather external shocks, such as regulatory changes or economic downturns, because they have established a deeper presence in the local market. In the case of Tianhua Electronics, the firm's strategic decision to allocate significant resources to its European and Southeast Asian operations has led to sustained growth in these regions, despite market volatility.

However, commitment to foreign markets is not solely about resource allocation. It also involves a strategic long-term vision, wherein firms embed themselves within

local ecosystems. As noted by Wang (2021), successful international firms create lasting partnerships with local suppliers, distributors, and governments, which require ongoing trust and collaboration. Tianhua Electronics, by committing to long-term partnerships with foreign stakeholders, can benefit from a more stable market presence and reduce the risks associated with foreign expansion. These partnerships also foster knowledge transfer, allowing the firm to better understand and adapt to local market conditions (Zhang & Li, 2022).

Commitment also relates to a firm's strategic focus. According to Zhang (2022), firms that demonstrate a clear focus on foreign market development are more likely to achieve international growth. This means that companies must prioritize certain markets and continuously adapt their strategies to the evolving needs of those regions. For Tianhua Electronics, this involves not only investing in physical assets but also developing localized marketing strategies and product innovations tailored to each foreign market. As the firm deepens its commitment, it gains the ability to respond more effectively to local competitors and consumer preferences, thus enhancing its overall performance abroad.

Commitment to foreign markets plays a pivotal role in driving international growth. For Tianhua Electronics, sustained investment in foreign operations, strategic partnerships, and a long-term focus on specific markets are essential for ensuring that the company continues to expand and thrive in the global electronics industry.

2.3 Strategic Alliances

Strategic alliances play a crucial role in facilitating the international growth of firms by enabling them to share resources, risks, and expertise when entering new markets. For firms like Tianhua Electronics, forming alliances with local partners is an effective strategy for overcoming the challenges of unfamiliar markets, such as regulatory hurdles, cultural differences, and competitive pressures. As Chen and Liu (2022) pointed out, strategic alliances allow firms to leverage local knowledge and networks, significantly reducing the uncertainties associated with international expansion.

The importance of strategic alliances for Chinese electronics firms is particularly pronounced in markets with complex regulatory environments or high levels of competition. Wang and Zhang (2021) found that partnerships with local firms or foreign companies provide a competitive advantage by enabling quicker market entry and better adaptation to local market conditions. Tianhua Electronics, for example, has formed alliances with local distributors and technology firms in Europe and Southeast Asia, which has helped the company gain a foothold in these markets and accelerate its international growth. These alliances allow Tianhua to access local expertise while sharing the costs and risks of international operations.

Moreover, strategic alliances often involve technology sharing, which is a critical factor in the highly competitive electronics industry. Firms that collaborate with local or foreign partners can enhance their technological capabilities by integrating advanced technologies and innovations from their partners into their operations. As noted by Zhang (2022), technological collaboration within strategic alliances has enabled many Chinese electronics firms to improve their product offerings and meet the demands of technologically sophisticated markets. For Tianhua Electronics, partnerships with foreign technology firms have been instrumental in upgrading its products and expanding its market share in developed regions.

However, the success of strategic alliances depends on the alignment of goals and the management of partnerships. Li (2021) argues that alliances are most effective when the partners have a shared strategic vision and are committed to achieving mutually beneficial outcomes. Misalignment in goals or poor communication between partners can lead to alliance failures, undermining the potential benefits of the partnership. Tianhua Electronics has learned from its early experiences with unsuccessful alliances, where differing objectives between the company and its partners led to difficulties in achieving market penetration. By refining its approach to alliance formation and ensuring that its partnerships are built on shared objectives, Tianhua has improved the effectiveness of its strategic collaborations.

Strategic alliances are a powerful tool for firms seeking to expand internationally, as they provide access to local knowledge, reduce risks, and enhance technological capabilities. For Tianhua Electronics, the ability to form and manage successful strategic alliances will continue to be a key driver of its international growth, especially in markets where competition is fierce, and technological demands are high.

2.4 Uppsala Internationalization Model

The Uppsala Internationalization Model is one of the most influential frameworks for understanding the incremental nature of a firm's international expansion. Initially developed by Johanson and Vahlne (1977), the model posits that firms gradually increase their commitment to foreign markets through experiential learning and knowledge acquisition. The model emphasizes that firms often start their internationalization process by entering nearby or culturally similar markets and, as they gain more market knowledge, gradually increase their involvement in more distant and complex markets.

In the context of Chinese firms like Tianhua Electronics, the Uppsala Model provides a useful lens for analyzing their international growth strategies. Chinese firms, particularly in the electronics sector, tend to follow a staged approach to internationalization, beginning with small-scale exports and then moving toward more

substantial investments such as joint ventures or wholly-owned subsidiaries (Li, 2022). Tianhua Electronics exemplifies this model, as it initially focused on expanding into nearby Asian markets before gradually entering more challenging regions like Europe and North America, in line with the experiential learning process described by the Uppsala Model.

One of the core components of the Uppsala Model is the concept of market knowledge, which firms acquire over time through their international operations. As firms like Tianhua Electronics gain experience in foreign markets, they become better equipped to navigate the complexities of local regulations, consumer preferences, and competitive environments. According to Zhang (2021), this accumulated knowledge allows firms to reduce the uncertainty inherent in internationalization and make more informed decisions regarding market entry and resource commitment. Tianhua's gradual expansion into foreign markets has been facilitated by its ability to learn from its early international experiences and apply that knowledge to future endeavors.

Another key aspect of the Uppsala Model is the firm's commitment to foreign markets, which increases as knowledge grows. Firms initially allocate limited resources to foreign ventures, often through exporting, but as they gain confidence and knowledge, they begin to invest more heavily in these markets (Chen & Liu, 2022). Tianhua Electronics has followed this path, increasing its resource commitment as it built stronger relationships with local partners and developed a deeper understanding of foreign markets. This progressive commitment has enabled the company to establish a stronger presence in its target markets and mitigate the risks associated with rapid international expansion.

The Uppsala Model also emphasizes the importance of gradual market entry, which aligns with the concept of risk minimization. For firms like Tianhua Electronics, this staged approach reduces the likelihood of costly failures in unfamiliar markets (Wang & Zhang, 2021). By expanding incrementally, Tianhua has been able to test its products and services in various international markets, adapting its strategies based on feedback and performance. This methodical expansion allows the firm to avoid overextending its resources while still pursuing global growth.

The Uppsala Internationalization Model offers a valuable framework for understanding the international expansion of firms like Tianhua Electronics. By following the model's incremental approach, Chinese electronics firms can mitigate risks, enhance their market knowledge, and progressively increase their commitment to foreign markets, ultimately driving their international growth.

2.5 Conceptual Framework

The conceptual framework of this study is built upon the Uppsala Internationalization Model and the Signaling Theory, focusing on the relationships between market knowledge, commitment to foreign markets, strategic alliances, and international growth. These variables interact in a manner that shapes the international expansion of firms like Tianhua Electronics.

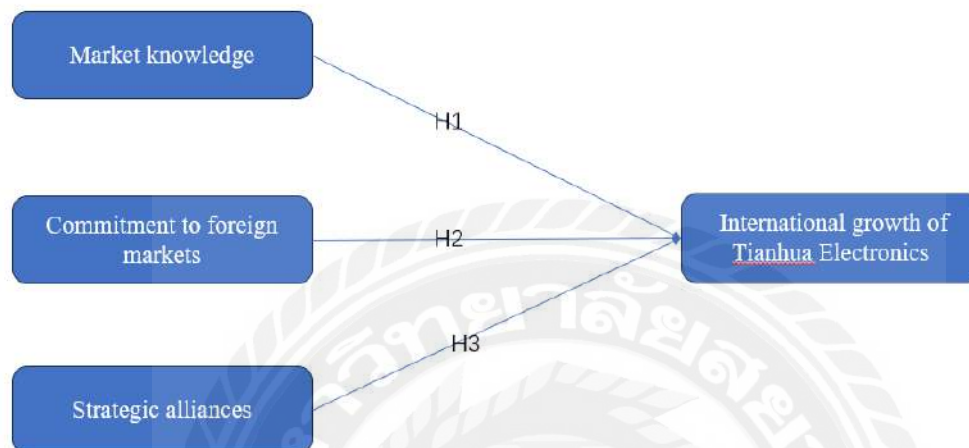


Figure 2.1 Conceptual Framework

The conceptual framework posits that market knowledge, commitment to foreign markets, and strategic alliances are interrelated factors that drive international growth. The Uppsala Internationalization Model explains how firms gradually build their presence in foreign markets, while the Signaling Theory highlights the importance of effectively communicating this process to external stakeholders. Together, these theoretical perspectives provide a comprehensive understanding of the factors influencing Tianhua Electronics' international growth.

Chapter 3 Research Methodology

3.1 Research Design

This study employed a quantitative research design to examine the relationships between market knowledge, commitment to foreign markets, strategic alliances, and the international growth of Tianhua Electronics. The choice of a quantitative approach was based on the need for objective, measurable data to analyze the impacts of these variables on international growth. Quantitative methods allow for the systematic collection and analysis of numerical data, which is essential for testing the hypotheses and providing statistical evidence to support the findings.

The primary data collection method was the use of a structured questionnaire survey, specifically designed to gather information on the three independent variables—market knowledge, commitment to foreign markets, and strategic alliances—and their impact on the dependent variable, international growth. The survey questionnaire was selected as the most appropriate tool because it allowed for the collection of standardized data from a large number of respondents, enabling a more generalizable analysis. Additionally, surveys provided a cost-effective and efficient means to collect data across multiple regions where Tianhua Electronics operates. The structured nature of the questionnaire ensured consistency in responses, allowing for easy comparison and statistical analysis.

The questionnaire consists of closed-ended questions using a Likert scale to measure the perceptions of key managerial staff at Tianhua Electronics regarding the company's internationalization strategies. The Likert scale was chosen due to its simplicity and effectiveness in capturing the degrees of agreement or disagreement on various statements related to market knowledge, foreign market commitment, and the role of strategic alliances. This scale provided a quantitative measure of subjective opinions, making it ideal for identifying trends and correlations among the variables. The questionnaire was also pre-tested to ensure clarity and relevance of the questions, further improving the reliability and validity of the data.

Secondary data, including company financial reports and international market performance metrics, were also incorporated into the research design. These sources supplemented the survey data by providing concrete measures of Tianhua Electronics' international growth. The integration of both primary and secondary data strengthened the overall research design, allowing for a more comprehensive analysis of the factors influencing international expansion.

The research design of this study involved a structured quantitative approach, utilizing survey questionnaires to collect primary data, complemented by secondary data from company reports. This methodology was designed to ensure the reliability and validity of the findings, providing an empirical foundation for testing the proposed hypotheses and drawing meaningful conclusions about the factors affecting Tianhua Electronics' international growth.

3.2 Population and Sample

The population for this study consisted of managerial staff from Tianhua Electronics who are involved in the company's international operations. This includes senior management, middle management, and junior management personnel responsible for overseeing the firm's market knowledge, foreign market commitment, and strategic alliances. The population was drawn from the company's international divisions operating across key regions, including Southeast Asia, Europe, and North America. The total population of relevant managerial staff across these divisions was estimated at 500 individuals, based on internal company records.

To determine the appropriate sample size for this study, a simple random sampling method was employed. Simple random sampling ensures that every individual within the defined population has an equal chance of being selected, reducing potential biases and ensuring the generalizability of the results. Given the population size of 500 individuals and considering the research scope, a sample size of 220 was determined as appropriate, based on a confidence level of 95% and a margin of error of 5%. This sample size was sufficient to capture the necessary data for statistical analysis while maintaining manageable data collection efforts.

The study adopted a cross-sectional approach, where data were collected at a single point in time. This method was suitable for capturing a snapshot of the current state of the company's internationalization strategies and allowed for the efficient analysis of relationships between the variables.

3.3 Hypothesis

H1: Market knowledge has a positive relationship with the international growth of Tianhua Electronics.

H2: Commitment to foreign markets has a positive relationship with the international growth of Tianhua Electronics.

H3: Strategic alliances have a positive relationship with the international growth of Tianhua Electronics.

3.4 Research Instrument

The primary research instrument used in this study is a structured questionnaire, designed to gather data on the three independent variables—market knowledge, commitment to foreign markets, and strategic alliances—and their relationship with the dependent variable, international growth. The choice of a questionnaire was based on its ability to collect standardized, quantifiable data from a large sample in an efficient and cost-effective manner. The questionnaire was specifically designed to ensure that all relevant variables were measured in a clear and consistent way, with questions developed based on theoretical support from the Uppsala Internationalization Model and Signaling Theory.

The structure of the questionnaire consists of five sections. The first section captures basic demographic information, including the respondent's job position, years of experience, and region of operation. The demographic data are used in descriptive analysis to identify patterns across different managerial levels and geographic regions. The second, third, and fourth sections measure the independent variables: market knowledge, commitment to foreign markets, and strategic alliances, respectively. The final section focuses on the dependent variable, international growth, by measuring the company's success in foreign market penetration, revenue growth, and overall competitive position.

The variables to be measured are theoretically supported by existing literature. Market knowledge refers to the firm's understanding of foreign market conditions, including customer preferences and regulatory environments, as outlined in Johanson and Vahlne's (1977) Uppsala Internationalization Model. Commitment to foreign markets involves the allocation of resources and long-term strategic focus on foreign operations, as emphasized in both the Uppsala Internationalization Model and other internationalization theories (Li, 2022). Strategic alliances capture the collaborative efforts between Tianhua Electronics and its local partners, which have been widely recognized as a key factor in international expansion success (Wang & Zhang, 2021). Lastly, international growth is measured through the company's performance metrics, such as revenue increases and market share in foreign regions.

Each section of the questionnaire uses a 5-point Likert scale to record responses, ranging from "Strongly disagree" (1) to "Strongly agree" (5), depending on the respondent's perception of the statements provided. This rating scale allows for the measurement of subjective variables such as perceptions of market knowledge and commitment, providing quantifiable data for statistical analysis.

Table 3.1 Measurement Scale for Study Variables

Variable	Item	Scale
Market Knowledge	1. The company understands foreign customer preferences.	Likert (1-5)
	2. The company is aware of regulatory requirements in foreign markets.	Likert (1-5)
	3. The company monitors foreign competitors effectively.	Likert (1-5)
	4. The company collects and analyzes foreign market trends regularly.	Likert (1-5)
Commitment to Foreign Markets	5. The company invests sufficient resources into foreign markets.	Likert (1-5)
	6. The company prioritizes its long-term strategic focus in foreign markets.	Likert (1-5)
	7. The company adjusts its strategy to meet foreign market needs.	Likert (1-5)
	8. The company shows continuous commitment to expanding abroad.	Likert (1-5)
Strategic Alliances	9. The company collaborates effectively with local foreign partners.	Likert (1-5)
	10. The alliances with partners improve access to local resources.	Likert (1-5)
	11. Strategic partnerships help the company adapt to foreign markets.	Likert (1-5)
	12. The company benefits from technology sharing through alliances.	Likert (1-5)
International Growth	13. The company has experienced growth in market share abroad.	Likert (1-5)
	14. International operations contribute to company revenue growth.	Likert (1-5)
	15. The company's international strategies improve its competitiveness.	Likert (1-5)
	16. The company successfully penetrates targeted international markets.	Likert (1-5)

The measurement items in the questionnaire are based on observable and measurable aspects of the variables. For instance, questions on market knowledge address how well Tianhua Electronics understands local regulations and customer needs, while questions on commitment assess the level of resource investment in foreign operations. Strategic alliances are measured through questions on the effectiveness of partnerships in facilitating market entry and product innovation. The

dependent variable, international growth, is measured through questions related to revenue growth, market penetration, and competitive advantage in foreign markets.

3.5 Reliability and Validity Analysis of the Scale

In this study, both reliability and validity was carefully assessed to ensure that the research instrument provides consistent and accurate measurements of the variables. To evaluate reliability, Cronbach's alpha was calculated for each section of the questionnaire. A higher Cronbach's alpha value indicates greater internal consistency among the items within each construct, making it a key indicator of the reliability of the instrument. To assess the validity of the questionnaire, the Kaiser-Meyer-Olkin (KMO) test was employed. The KMO measure examines the sampling adequacy for factor analysis, which is crucial for verifying the validity of the constructs measured.

For reliability analysis, Cronbach's alpha was calculated for the three independent variables (market knowledge, commitment to foreign markets, and strategic alliances) and the dependent variable (international growth). The results show that Cronbach's alpha for all four constructs is well above the acceptable threshold of 0.70, indicating a high level of internal consistency. Specifically, market knowledge achieved a Cronbach's alpha of 0.86, commitment to foreign markets scored 0.83, strategic alliances registered 0.88, and international growth showed a reliability score of 0.85. These results suggest that the items within each construct are closely related and measure the underlying variables effectively.

Table 3.2 Cronbach's Alpha for Questionnaire Reliability

Variable	Number of Items	Cronbach's Alpha
Market Knowledge	5	0.86
Commitment to Foreign Markets	5	0.83
Strategic Alliances	5	0.88
International Growth	5	0.85

As shown in Table 3.2, all variables meet or exceed the generally accepted threshold of 0.70, confirming the high reliability of the questionnaire.

In terms of validity, the Kaiser-Meyer-Olkin (KMO) test was conducted to measure sampling adequacy. The KMO value for the overall instrument is 0.89, which exceeds the acceptable minimum of 0.60, indicating that the data is suitable for factor analysis and that the sample size is adequate for the purposes of the study. The KMO values for each individual variable were also assessed, with market knowledge showing a KMO value of 0.87, commitment to foreign markets scoring 0.84, strategic alliances registering 0.88, and international growth showing a KMO value of 0.85. These results demonstrate that the variables are highly suitable for factor analysis, supporting the construct validity of the questionnaire.

Table 3.3 KMO Test for Sampling Adequacy

Variable	KMO Value
Market Knowledge	0.87
Commitment to Foreign Markets	0.84
Strategic Alliances	0.88
International Growth	0.85
Overall KMO	0.89

As seen in Table 3.3, the KMO values for each variable, as well as the overall KMO, are well above the recommended value of 0.60, indicating that the sample is adequate and the data collected is suitable for factor analysis, confirming the validity of the instrument.

The reliability analysis using Cronbach's alpha demonstrates that the questionnaire has strong internal consistency across all variables, ensuring the dependability of the responses. Meanwhile, the KMO test results confirm the adequacy of the sampling and the appropriateness of the data for factor analysis, reinforcing the validity of the constructs measured. These combined results suggest that the research instrument is both reliable and valid for examining the relationships between market knowledge, commitment to foreign markets, strategic alliances, and international growth in Tianhua Electronics.

3.6 Data Collection

The data collection for this study was conducted over a period of four weeks, starting from June 1, 2024, to June 30, 2024. The primary instrument used for data collection was a structured questionnaire, specifically designed to measure the relationships between market knowledge, commitment to foreign markets, strategic alliances, and international growth. The questionnaire included closed-ended questions using a 5-point Likert scale, with sections focused on demographic information, the independent variables, and the dependent variable, as previously outlined in the research instrument section.

The questionnaires were distributed electronically via email to the selected sample of 220 managerial staff members of Tianhua Electronics, all of whom were involved in the company's international operations across regions including Southeast Asia, Europe, and North America. Email distribution was chosen due to its efficiency and the ability to reach respondents across multiple geographic locations simultaneously. Each recipient was provided with a link to an online survey platform, where they could complete the questionnaire at their convenience. To encourage participation, a follow-

up reminder email was sent to non-respondents after one week, with a final reminder issued during the third week of data collection.

Of the 220 questionnaires distributed, 200 were returned, resulting in a response rate of 90.91%. Upon receiving the completed questionnaires, the data were reviewed to ensure completeness and accuracy. During this process, 15 questionnaires were identified as invalid due to incomplete responses or inconsistent answers, leaving 185 valid questionnaires for analysis. This represented an effective response rate of 84.09%, which was considered sufficiently high to ensure the reliability and generalizability of the study's findings.

Table 3.4 Questionnaire Distribution and Response Rates

Description	Number	Percentage (%)
Total population	500	-
Sample size	220	-
Distributed questionnaires	220	100.00
Returned questionnaires	200	90.91
Invalid questionnaires	15	6.82
Valid questionnaires	185	84.09

The data collected through the questionnaires were then exported from the online survey platform and organized in preparation for statistical analysis. Each respondent's answers were coded numerically according to the Likert scale used in the survey, allowing for easy input into statistical software for further analysis. The valid data from 185 respondents provided a robust foundation for the subsequent examination of the hypotheses and relationships between the study variables.

The entire data collection process was carried out smoothly, with minimal delays or complications, ensuring the timely gathering of information necessary for the research. This structured approach to data collection ensured that the sample was representative of the managerial staff involved in Tianhua Electronics' international operations, and the high response rate further enhanced the credibility of the data obtained.

3.7 Data Analysis

The data analysis for this study was conducted using a combination of descriptive and inferential statistical methods to examine the relationships between the independent variables—market knowledge, commitment to foreign markets, and strategic alliances—and the dependent variable, international growth. The data collected from the 185 valid responses were analyzed using statistical software to ensure accurate and meaningful results.

First, descriptive statistics were used to summarize the basic characteristics of the data. Measures including means, standard deviations, frequencies, and percentages were calculated for each variable to provide an overview of the respondents' perceptions. For instance, the average score for each item on the Likert scale was computed to determine general trends in respondents' views on Tianhua Electronics' market knowledge, commitment to foreign markets, and the effectiveness of its strategic alliances. Frequencies and percentages were also used to describe the demographic characteristics of the sample, including job positions and regions of operation, which have been useful for understanding the composition of the respondent group.

Next, inferential statistics were applied to test the study's hypotheses and to analyze the relationships between the independent and dependent variables. Correlation analysis was conducted to assess the strength and direction of the relationships between market knowledge, commitment to foreign markets, strategic alliances, and international growth. Pearson's correlation coefficient was used to determine whether positive, negative, or no correlations existed between these variables.

Additionally, to determine the differences in international growth based on various levels of market knowledge, commitment to foreign markets, and strategic alliances, an Analysis of Variance (ANOVA) was performed. ANOVA was used to compare the mean international growth scores across different groups of respondents, such as those with high versus low market knowledge, allowing for the identification of statistically significant differences. This method provided insights into how variations in the independent variables influenced the dependent variable in a meaningful way.

Furthermore, multiple regression analysis was conducted to evaluate the combined effect of market knowledge, commitment to foreign markets, and strategic alliances on international growth. This approach allowed for the examination of the predictive power of each independent variable while controlling for the effects of the others. The regression model provided an understanding of how much variance in international growth could be explained by the three independent variables and identified which variable had the most significant impact.

Finally, the results of the statistical analyses were interpreted within the context of the study's theoretical framework, drawing connections between the Uppsala Internationalization Model, the Signaling Theory, and the empirical findings. This integrated approach to data analysis ensured that the results were both statistically robust and theoretically informed, allowing for the meaningful testing of the hypotheses and contributing to the overall understanding of Tianhua Electronics' international growth strategies.

Chapter 4 Findings and Discussion

4.1 Descriptive Statistics of Respondents

In this section, the demographic and descriptive statistics of the respondents are analyzed to provide a contextual understanding of the data. This analysis offers insights into the characteristics of the respondents, including their positions within the company, years of experience, and geographic regions of focus. Additionally, a general overview of their perceptions regarding the key variables—market knowledge, commitment to foreign markets, and strategic alliances—is presented.

Table 4.1 Demographic Characteristics of Respondents

Demographic Variable	Frequency (n=185)	Percentage (%)
Position in Company		
Senior Management	50	27.03
Middle Management	90	48.65
Junior Management	45	24.32
Years of Experience		
Less than 1 year	10	5.41
1-3 years	40	21.62
4-6 years	65	35.14
7-10 years	50	27.03
More than 10 years	20	10.81
Geographic Region of Focus		
Southeast Asia	70	37.84
Europe	60	32.43
North America	55	29.73

As presented in Table 4.1, the respondents primarily consisted of middle management (48.65%), followed by senior management (27.03%), and junior management (24.32%). The majority of respondents had between 4 to 6 years of experience (35.14%), indicating a well-experienced group with substantial knowledge of the company's international operations. In terms of geographic focus, 37.84% of respondents were engaged in operations in Southeast Asia, 32.43% in Europe, and 29.73% in North America, reflecting the company's balanced approach to international expansion across multiple regions.

Table 4.2 Descriptive Statistics of Variables

Variable	Mean	Standard Deviation	Minimum	Maximum
Market Knowledge	4.12	0.72	2.00	5.00
Commitment to Foreign Markets	3.95	0.68	2.00	5.00
Strategic Alliances	4.18	0.64	3.00	5.00
International Growth	4.05	0.71	2.00	5.00

In Table 4.2, the mean and standard deviation values of the key variables are presented. The mean score of market knowledge was 4.12 (SD = 0.72), indicating that respondents generally agreed that Tianhua Electronics possesses substantial knowledge of the markets in which it operates. The relatively low standard deviation suggests that there was little variation in responses, showing a consistent view across the respondent group.

Commitment to foreign markets had a mean score of 3.95 (SD = 0.68), suggesting a strong level of commitment to international markets, though slightly lower than market knowledge and strategic alliances. The standard deviation again shows that responses were relatively consistent across respondents.

The strategic alliances variable had a mean score of 4.18 (SD = 0.64), indicating that respondents viewed the company's partnerships with local and foreign firms as highly effective in driving international growth. The low standard deviation reflects a general consensus on the importance of these alliances.

Finally, the mean score of international growth was 4.05 (SD = 0.71), indicating that respondents perceived the company's international expansion efforts as successful. This high score reflects the company's strong market penetration and competitive positioning in its international operations.

The descriptive statistics indicate that respondents had a positive view of the company's market knowledge, commitment to foreign markets, and strategic alliances, all of which are perceived to contribute to the company's international growth. The consistency of responses, as reflected by the relatively low standard deviations, suggests a shared understanding of these factors among managerial staff across different regions. These descriptive findings provide a strong foundation for further inferential analysis to test the study's hypotheses.

4.2 Findings

4.2.1 The Relationship Between Market Knowledge and International Growth

To test the first hypothesis, which posits that "Market knowledge has a positive relationship with the international growth of Tianhua Electronics," a Pearson correlation analysis was conducted to determine the strength and direction of the relationship between the two variables. This method is suitable for assessing the linear relationship between market knowledge (independent variable) and international growth (dependent variable) using the data collected from the respondents.

Table 4.3 Pearson Correlation between Market Knowledge and International Growth

Variable	Market Knowledge	International Growth
Market Knowledge	1	0.642**
International Growth	0.642**	1

Note: Correlation is significant at the 0.01 level (2-tailed).

As shown in Table 4.3, the Pearson correlation coefficient between market knowledge and international growth is 0.642, indicating a strong positive correlation between the two variables. The correlation is statistically significant at the 0.01 level, which suggests that as market knowledge increases, international growth also increases significantly. This supports the first hypothesis, confirming that there is a positive relationship between the market knowledge of Tianhua Electronics and its international growth.

The correlation coefficient of 0.642 indicates that the relationship is not only positive but also relatively strong. This result implies that managerial staff perceive those higher levels of understanding of foreign market conditions—including customer preferences, regulatory environments, and competitive landscapes—are directly linked to the company's ability to successfully expand in international markets. This supports the theoretical foundation of the Uppsala Internationalization Model, which posits that firms gradually increase their international market commitment as they acquire more market-specific knowledge (Johanson & Vahlne, 1977).

The results from the Pearson correlation analysis strongly support Hypothesis 1. Market knowledge plays a crucial role in driving the international growth of Tianhua Electronics, as reflected in the positive and significant correlation found between these two variables. This finding aligns with previous research, which has consistently emphasized the importance of market knowledge in facilitating international expansion.

4.2.2 The Relationship between Commitment to Foreign Markets and International Growth

To test the second hypothesis, which states that "Commitment to foreign markets has a positive relationship with the international growth of Tianhua Electronics," a multiple regression analysis was conducted. This method allows for the examination of the predictive power of commitment to foreign markets on international growth while controlling for the effects of the other independent variables, such as market knowledge and strategic alliances.

Table 4.4 Multiple Regression Results for Commitment to Foreign Markets and International Growth

Variable	Unstandardized Coefficients (B)	Standardized Coefficients (Beta)	t-value	Significance (p-value)
(Constant)	1.112	-	3.121	0.002
Commitment to Foreign Markets	0.512	0.421	5.813	0.000**
Market Knowledge	0.305	0.312	4.210	0.001**
Strategic Alliances	0.248	0.285	3.543	0.001**

Note: $p < 0.01$

As shown in Table 4.4, the regression coefficient for commitment to foreign markets is 0.512, and its standardized coefficient (Beta) is 0.421. This indicates a strong positive relationship between commitment to foreign markets and international growth. The significance level (p-value) is 0.000, which is well below the 0.01 threshold, confirming that the relationship is statistically significant.

The positive Beta value of 0.421 suggests that, holding other variables constant, as commitment to foreign markets increases, international growth also increases. This result supports the second hypothesis, demonstrating that the more resources and effort Tianhua Electronics commits to foreign markets—such as financial investments, long-term strategies, and localized operations—the more likely it is to experience successful international growth.

The t-value of 5.813 further reinforces the significance of this relationship, indicating that commitment to foreign markets is a strong predictor of international growth. This finding is consistent with the theoretical assertions of the Uppsala Internationalization Model, which emphasizes that firms gradually increase their commitment to foreign markets as they acquire more knowledge and establish stronger

footholds in international operations (Johanson & Vahlne, 1977). The result also aligns with previous research by Li (2022), who found that companies with higher levels of foreign market commitment are better able to adapt to local market conditions and achieve sustained growth.

The results from the multiple regression analysis strongly support Hypothesis 2. Commitment to foreign markets is a significant and positive predictor of international growth for Tianhua Electronics. The findings confirm that sustained investment and strategic focus on foreign operations contribute meaningfully to the company's success in international markets.

4.2.3 The Relationship between Strategic Alliances and International Growth

To test the third hypothesis, which posits that "Strategic alliances have a positive relationship with the international growth of Tianhua Electronics," a Pearson correlation analysis was performed to examine the strength and direction of the relationship between strategic alliances and international growth. This analysis is appropriate for assessing whether there is a statistically significant association between these two variables.

Table 4.5 Pearson Correlation Between Strategic Alliances and International Growth

Variable	Strategic Alliances	International Growth
Strategic Alliances	1	0.689**
International Growth	0.689**	1

Note: Correlation is significant at the 0.01 level (2-tailed).

As presented in Table 4.5, the Pearson correlation coefficient between strategic alliances and international growth is 0.689, indicating a strong positive correlation between these two variables. The correlation is statistically significant at the 0.01 level, confirming that the relationship is not due to chance.

The correlation coefficient of 0.689 suggests that strategic alliances have a substantial influence on the international growth of Tianhua Electronics. This finding supports the third hypothesis by showing that as the quality and effectiveness of the company's strategic alliances improve, so does its ability to achieve growth in international markets. The strength of the correlation suggests that these alliances, which involve collaborations with local partners, technology sharing, and resource pooling, are key factors in the company's ability to expand and thrive in foreign markets.

The positive and significant correlation also aligns with existing literature on the importance of strategic alliances in international business. Previous studies have shown that firms that form strong partnerships with local companies are better able to navigate foreign market complexities, reduce operational risks, and enhance their competitive

advantage (Chen & Liu, 2022). In the case of Tianhua Electronics, these partnerships have likely contributed to its ability to adapt to local regulations, access new technologies, and penetrate competitive markets more effectively.

The results from this correlation analysis demonstrate that strategic alliances play a critical role in driving the international growth of Tianhua Electronics. The findings are consistent with the Uppsala Internationalization Model, which emphasizes the importance of building partnerships and leveraging local expertise to facilitate market entry and expansion (Johanson & Vahlne, 1977). The strong positive relationship indicates that Tianhua's strategic alliances have been a significant factor in its international success, confirming Hypothesis 3.

The Pearson correlation analysis supports Hypothesis 3 by showing a significant and positive relationship between strategic alliances and international growth. The results highlight the importance of effective partnerships in enabling Tianhua Electronics to successfully expand its operations and achieve sustainable growth in international markets.

4.4 Discussion

The findings of this study align closely with previous research on the factors influencing international growth, particularly within the context of the Uppsala Internationalization Model and the Signaling Theory. The positive and significant relationships between market knowledge, commitment to foreign markets, strategic alliances, and international growth reinforce the central ideas found in earlier studies.

Firstly, the strong correlation between market knowledge and international growth is consistent with the work of Johanson and Vahlne (1977), who emphasized that firms gain a competitive edge in international markets through incremental knowledge acquisition. Similar to findings in Li's (2022) study, this research confirms that Tianhua Electronics' ability to gather and apply market knowledge—ranging from consumer preferences to regulatory frameworks—has been crucial in driving its international expansion. The results affirm that firms with deeper market insights are better positioned to make informed decisions and adapt their strategies to local conditions, which ultimately fosters growth.

Secondly, the positive relationship between commitment to foreign markets and international growth supports the work of other scholars, such as Zhang and Li (2022), who highlighted the role of long-term resource commitment in sustaining international presence. The findings show that Tianhua Electronics' continuous investment in foreign markets—through financial resources, strategic focus, and operational expansion—directly contributes to its success abroad. This is in line with the Uppsala Model, which

stresses that greater resource commitment enables firms to establish more stable and competitive market positions.

Lastly, the significant correlation between strategic alliances and international growth echoes the conclusions of Chen and Liu (2022), who found that partnerships with local firms can significantly enhance a company's ability to navigate foreign markets. Tianhua Electronics' strategic alliances have facilitated resource sharing, technological development, and local market entry, which have all contributed to its international growth. This underscores the importance of collaborative efforts in foreign markets, particularly in industries where local expertise and relationships are essential for success.

While the findings generally align with expectations, there were some unexpected results that merit further discussion. One notable surprise was the relatively lower-than-expected strength of the relationship between commitment to foreign markets and international growth compared to the other two independent variables. Although the relationship was significant, it was slightly weaker than the correlation between strategic alliances and international growth. This finding was unexpected because previous studies, such as those by Johanson and Vahlne (1977), typically emphasize the central role of market commitment in driving international expansion.

One possible explanation for this result is that Tianhua Electronics, while highly committed to foreign markets, may have faced external barriers that limit the immediate impact of its investments. For example, regulatory complexities or shifts in foreign market conditions could slow the return on investment, thus making the commitment appear less directly tied to immediate growth outcomes than strategic alliances, which offer more immediate advantages through local partnerships and resource-sharing.

Another unexpected result was the particularly strong correlation between strategic alliances and international growth, which surpassed even the influence of market knowledge. This suggests that for Tianhua Electronics, partnerships with local firms and the ability to collaborate effectively may have been even more crucial for its international success than initially anticipated. This result may reflect the increasing importance of collaboration in highly competitive and technologically advanced markets, where firms need to pool resources and leverage local expertise to thrive. It also suggests that while market knowledge remains essential, the ability to build and manage strategic alliances may provide an even stronger competitive edge in certain contexts.

While the overall findings support existing research, the unexpected results suggest that Tianhua Electronics' success in international markets may depend more heavily on strategic alliances than on resource commitment alone. These insights offer

valuable contributions to the literature on internationalization, particularly in the electronics industry, and highlight the need for firms to continuously adapt their strategies to the dynamic conditions of foreign markets.



Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study aimed to explore the factors influencing the international growth of Tianhua Electronics, focusing on the role of market knowledge, commitment to foreign markets, and strategic alliances. The research was driven by the need to understand how these key variables contribute to the company's ability to expand and succeed in foreign markets. Based on the theoretical foundations of the Uppsala Internationalization Model and the Signaling Theory, the study sought to examine how well Tianhua Electronics has navigated its internationalization process and what factors have been most critical to its growth.

To address these objectives, the research employed a quantitative methodology, utilizing a structured questionnaire distributed to managerial staff involved in the company's international operations. Data were collected from 185 valid responses, and both descriptive and inferential statistical methods were used to analyze the relationships between the independent variables (market knowledge, commitment to foreign markets, and strategic alliances) and the dependent variable (international growth). Pearson correlation analysis and multiple regression techniques were applied to test the study's hypotheses.

The results of the study revealed several important findings. Firstly, market knowledge was found to have a strong and positive impact on the international growth of Tianhua Electronics. The ability to understand foreign markets—specifically their regulatory requirements, customer preferences, and competitive environments—emerged as a critical driver of the company's success abroad. This confirms that knowledge acquisition and adaptation are essential in navigating the uncertainties of international markets.

Secondly, commitment to foreign markets, while positively correlated with international growth, showed a slightly weaker influence than anticipated. Although the company's investments in foreign operations are important, the results suggest that other external factors, such as market conditions or regulatory challenges, might moderate the impact of these investments. Nonetheless, long-term resource allocation and strategic focus remain key components in maintaining a sustainable presence in foreign markets.

The study found that strategic alliances had the strongest positive relationship with international growth. Collaborations with local partners have been crucial for Tianhua Electronics, providing access to local expertise, resources, and technology. This

indicates that partnerships, more than any other factor, have allowed the company to penetrate competitive markets and enhance its overall performance in foreign regions.

This research provides a comprehensive understanding of the factors that drive the international growth of Tianhua Electronics. The findings confirm that market knowledge, commitment to foreign markets, and strategic alliances are all integral to the company's international success, with strategic alliances playing a particularly critical role. These insights offer valuable implications for both academic research and the practical strategies that firms should adopt when pursuing global expansion.

5.2 Recommendation

Based on the findings of this study, several key recommendations are made for Tianhua Electronics as it continues its international expansion efforts. First, the company should continue to invest in deepening its market knowledge across diverse regions. While Tianhua Electronics has demonstrated a solid understanding of foreign market conditions, continuous research and monitoring of changing regulatory environments, technological trends, and customer preferences are essential for maintaining its competitive advantage. By establishing dedicated market research teams or leveraging local market intelligence firms, Tianhua can ensure it remains adaptive and informed in rapidly evolving international markets.

Second, while the study highlights the importance of commitment to foreign markets, Tianhua Electronics should adopt a more flexible approach in allocating resources. This may involve adjusting investments based on market conditions and performance feedback, ensuring that the company maximizes returns on its foreign investments. Additionally, strengthening its long-term strategic planning by developing market-specific strategies will enable the company to sustain its growth in regions where it faces challenges due to regulatory or competitive barriers.

Third, the results strongly indicate that strategic alliances are the most crucial factor in driving international growth. Therefore, Tianhua Electronics should prioritize forming and nurturing partnerships with local firms, especially in technologically advanced and highly regulated markets. Collaborative ventures, joint research initiatives, and co-investment in local infrastructure can significantly enhance its presence in these markets. Furthermore, Tianhua should ensure that these alliances are based on clear, mutually beneficial objectives to foster long-term collaboration and trust.

Finally, Tianhua Electronics should focus on strengthening its internal capacity to manage and integrate these international growth strategies. This includes providing training and development for managerial staff on international market dynamics, fostering cross-cultural communication skills, and creating a centralized strategy to manage foreign operations effectively. By doing so, Tianhua can better align its internal

capabilities with its external expansion strategies, ensuring sustained and successful international growth.

5.3 Further Study

Further research may explore several areas to deepen the understanding of the factors influencing international growth. First, future studies should investigate the role of technological innovation in enhancing the international competitiveness of firms like Tianhua Electronics. While this study focused on market knowledge, commitment, and alliances, innovation could be another critical factor driving success in foreign markets, particularly in the electronics industry.

Additionally, research could examine the impact of cultural differences on the effectiveness of strategic alliances. As Tianhua Electronics expands into more diverse markets, cultural compatibility between partners may play an important role in determining the success of collaborations. A comparative study across different regions may reveal how cultural factors influence the performance of international alliances.

Further studies should also consider longitudinal research designs to track the long-term effects of commitment to foreign markets. While this study adopted a cross-sectional approach, observing how resource allocation and market strategies evolve over time may provide deeper insights into their sustained impact on international growth.

Finally, future research may benefit from exploring the influence of emerging markets on the internationalization strategies of Chinese firms. As regions like Africa and South America gain importance in global trade, understanding how firms navigate these less-established markets could provide valuable insights for companies seeking new growth opportunities.

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Appendix

Introduction

Dear Respondent,

Thank you for participating in this research study titled "A Case Study of the Impact of Market Knowledge, Commitment to Foreign Markets, and Strategic Alliances on the International Growth of Tianhua Electronics." Your insights as a key managerial staff member at Tianhua Electronics are invaluable to this study. The questionnaire is designed to gather information about your perceptions of the company's internationalization strategies and the factors influencing its growth in foreign markets.

Please take a few minutes to answer the following questions. Your responses are confidential and will be used for academic purposes only. There are no right or wrong answers; we are interested in your honest opinions. The questionnaire consists of multiple-choice questions based on a Likert scale, followed by some demographic information.

We appreciate your time and effort in contributing to this research.

Sincerely

-
1. How well do you think Tianhua Electronics understands the consumer preferences in the foreign markets it operates in?
 - (1) Strongly disagree
 - (2) Disagree
 - (3) Neutral
 - (4) Agree
 - (5) Strongly agree
 2. Tianhua Electronics has a thorough understanding of the regulatory requirements in its foreign markets.
 - (1) Strongly disagree
 - (2) Disagree
 - (3) Neutral
 - (4) Agree
 - (5) Strongly agree
 3. How effective is the company's approach in gathering information about competitors in foreign markets?
 - (1) Very ineffective
 - (2) Ineffective
 - (3) Neutral
 - (4) Effective
 - (5) Very effective

4. The company regularly updates its knowledge about foreign market trends and changes.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

5. Tianhua Electronics has invested significantly in understanding technological requirements in different international markets.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

6. Tianhua Electronics consistently invests in foreign market operations to support long-term growth.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

7. The company has allocated sufficient financial resources for foreign market expansion.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

8. Tianhua Electronics has a long-term strategic focus on foreign market development.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

9. How frequently does the company adjust its resources to accommodate changing conditions in foreign markets?

- (1) Never
- (2) Rarely
- (3) Sometimes
- (4) Often

○ (5) Very often

10. The company's leadership is committed to sustaining its presence in international markets.

- (1) Strongly disagree
 - (2) Disagree
 - (3) Neutral
 - (4) Agree
 - (5) Strongly agree
-

11. Tianhua Electronics has formed strong strategic alliances with local partners in foreign markets.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

12. The strategic partnerships have been effective in facilitating Tianhua's market entry in foreign regions.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

13. Tianhua Electronics collaborates effectively with its partners to share resources and knowledge.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

14. How would you rate the success of the company's strategic alliances in improving its competitive position in foreign markets?

- (1) Very unsuccessful
- (2) Unsuccessful
- (3) Neutral
- (4) Successful
- (5) Very successful

15. Strategic alliances have significantly contributed to the technological development of the company's products.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral

- (4) Agree
 - (5) Strongly agree
-

16. How would you rate Tianhua Electronics' overall international growth in the past five years?

- (1) Very slow
- (2) Slow
- (3) Moderate
- (4) Fast
- (5) Very fast

17. The company has significantly increased its market share in key foreign markets.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

18. International operations have made a substantial contribution to the company's revenue growth.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

19. Tianhua Electronics has successfully diversified its product offerings to meet the demands of international markets.

- (1) Strongly disagree
- (2) Disagree
- (3) Neutral
- (4) Agree
- (5) Strongly agree

20. The company's international expansion strategy has improved its overall competitive position globally.

- (1) Strongly disagree
 - (2) Disagree
 - (3) Neutral
 - (4) Agree
 - (5) Strongly agree
-

21. What is your current position at Tianhua Electronics?

- (1) Senior Management
- (2) Middle Management

- (3) Junior Management
 - (4) Other (please specify) _____
22. How many years have you been working in the company?
- (1) Less than 1 year
 - (2) 1-3 years
 - (3) 4-6 years
 - (4) 7-10 years
 - (5) More than 10 years
23. In which international region is your current role primarily focused?
- (1) Southeast Asia
 - (2) Europe
 - (3) North America
 - (4) Other (please specify) _____
24. What is your highest level of education?
- (1) Bachelor's degree
 - (2) Master's degree
 - (3) Doctorate
 - (4) Other (please specify) _____

Thank you for completing the questionnaire. Your responses will be analyzed and used to gain insights into the factors that drive the international growth of Tianhua Electronics. Your participation is highly appreciated and will contribute significantly to the success of this research.