

Research on the Impact and Path of Digital Trade Driving the Enhancement of Export Competitiveness of Chinese Enterprises

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Abstract

With the rapid development of the global digital economy, digital trade, as a new trade model, has a profound impact on the export competitiveness of Chinese enterprises. Starting from the connotation and characteristics of digital trade, this article analyzes the impact mechanism of digital trade on the export competitiveness of enterprises, explores the path of digital trade promoting the improvement of Chinese enterprises' export competitiveness, and provides theoretical basis for the transformation and upgrading of Chinese enterprises and the development of foreign trade.

Keywords

Digital Trade; Enterprise Export Competitiveness; Impact Mechanism; Path Research.

1. Introduction

As a trade model based on the Internet and digital technology, digital trade is gradually changing the global trade pattern. As an important participant in global digital trade, China's digital trade is of great significance in enhancing the export competitiveness of enterprises. This article aims to explore how digital trade affects the export competitiveness of Chinese enterprises, and how enterprises can enhance their export competitiveness through digital trade.

2. Theoretical Basis and Literature Review

2.1. Digital Trade

Digital trade refers to the trading, delivery, and consumption activities of goods and services conducted through digital technology and online platforms. This includes both physical commodity trade facilitated by online promotion, trading, and settlement based on information and communication technology, as well as digital service trade transmitted through information and communication networks, such as data, digital products, and digital services. Among them, the most representative physical commodity trade based on information and communication technology is the trade activities carried out through cross-border e-commerce platforms (Liu Huizheng, 2022).

2.2. Current Situation of China's Exports

2.2.1. Overall Scale of Export Trade

Since the reform and opening up, China's borders have always been open to friendly trading countries, and the degree of openness has been continuously expanded, optimizing the import and export structure, and achieving outstanding results in international trade. At present, China's total import and export trade volume ranks first in the world, and it has fully invested

its economic development into international trade. Through economic globalization, China has penetrated into the world trade system and gained a foothold in the field of foreign trade.

The total export value of China's goods and services trade has shown an upward trend from 2018 to 2023, with an overall export volume increase of about 10 trillion yuan. Although the scale of service trade has been continuously increasing in the past decade, there is still a certain gap in overall exports compared to goods trade. According to data from the Ministry of Commerce, the export growth rate of technology knowledge intensive high-end services, represented by electronic computers and information services, is the fastest. The development of the digital economy has provided tremendous assistance for the growth of service trade exports, and the widespread use of digital technology has enhanced the possibilities of service trade. At the same time, extensive cooperation between countries in the field of digital development has provided a relaxed market environment and a good policy foundation for the growth of service trade.

2.2.2. Digital Trade Status Taking Software Business Export as an Example

Digital trade is the embodiment of the digital economy in international trade and also the digital form of international trade. This article divides digital trade into two categories based on the different trading partners and methods. One is the digitalization of trade mode, that is, through the integration of information technology, Internet technology, big data technology and the production, manufacturing and sales links of the real economy industry, to improve the production efficiency of traditional enterprises, reduce transaction costs and simplify the transaction process. Another approach is to digitize trading partners, using digital technology services and products as trading partners to achieve foreign trade in the digital economy.

As a part of digital trade exports, software business exports account for a significant proportion of digital trade exports. Considering that the data on software business exports is comprehensive and representative, we will take software business exports as an example to analyze the current situation of digital trade exports. In terms of the overall trend from 2015 to 2022, its export scale is on the rise. Although there was a brief decline in the scale of software export business in 2018 due to the emergence of trade frictions between China and the United States, it quickly turned from decline to increase with the help of China's market and technological advantages.

2.3. Enterprise Export Competitiveness and Influencing Factors

Enterprise export competitiveness refers to the ability of an enterprise to continuously export products and services and achieve profitability in the international market relative to its competitors. Numerous studies have investigated the factors influencing export competitiveness, mainly focusing on the following aspects. From a traditional perspective, Mao Rui and Zhang Bin (2013) believe that export competitiveness is determined by the relative price of exports and the quality of exported products. More specifically, Eaton and Kortum (2002) believe that the determining factors of relative product prices, namely production costs, trade costs, production efficiency, and real exchange rates, are the influencing factors of export competitiveness. In addition, scholars have also considered the influencing factors of export competitiveness from other perspectives. Xu and Lu (2009) believe that the economic environment after the inflow of foreign capital has a promoting effect on the upgrading of China's industrial structure and the improvement of export competitiveness. Market segmentation, infrastructure, environmental regulations, and other factors all have an impact on export competitiveness. There are many studies on digital trade in existing literature, and some scholars are actively exploring the impact mechanism of digital trade and export competitiveness. The focus of this article is to explore whether digital trade has a significant impact on enterprise exports.

3. Research on the Impact of Digital Trade on Enterprise Export Competitiveness

With the acceleration of global digitization and trade globalization, research on digital trade is gradually moving towards the direction of international trade. The impact of digital trade on international trade has become one of the most discussed topics in the academic community. Most studies believe that the development of digital trade has a positive promoting effect on international trade. Wei Wei (2000) pointed out that digital trade has penetrated traditional enterprises in the form of e-commerce, promoting employment and saving transaction costs for enterprises. Frennd and Weinhold (2004) believed that the application of the Internet and ICT could significantly increase the scale of international trade. Cao Yang (2010) proposed that digital trade provides a new situation for cross-border mergers and acquisitions of enterprises, that is, the impact of digital trade on mergers and acquisitions is not to reduce transaction costs, but to focus on the value of intangible assets. He Yong (2015) established a transnational panel data model, and the research results show that the development of the Internet can promote the scale of import and export trade. As the overall income level of the country increases, its promoting effect on imports decreases and its promoting effect on exports increases. Li Kunwang (2015) pointed out that informatization can improve a country's export efficiency, and the higher the degree of informatization, the more inclined enterprises are to export. Lin Yueqin (2017) pointed out that the driving and engine role of digital trade has a significant impact on a country's economy. If we seize the opportunity of digital trade development, we can enhance our international status and competitiveness. Zhan Xiaoning and Ouyang Yongfu (2018) pointed out that the development of digital trade has led to new trends in the global value chain, and international investment patterns will also change due to digital trade.

4. The Path of Digital Trade Driving the Enhancement of Chinese Enterprises' Export Competitiveness

From the perspective of production efficiency, enterprises may enhance their export competitiveness by improving production efficiency after digital transformation. The application of digital technology can effectively improve production efficiency, and the improvement of production efficiency is an effective way to help enterprises enhance their export competitiveness.

From the perspective of management efficiency, digital transformation of enterprises may promote the improvement of export competitiveness by affecting internal agency costs and external transaction costs. On the one hand, as the scale of the enterprise expands, visionary and modern business owners will hire professional managers to manage the enterprise on their behalf. This social division of labor generates internal agency costs. The gradual application of digital technology in enterprise sales, supervision and other aspects may reduce this internal cost. For example, monitoring executive power can reduce organizational agency costs, but digitalization may also make business operations more complex and business boundaries blurred, thereby increasing the difficulty of monitoring management. Therefore, the impact of digital transformation on internal agency costs in enterprises needs further examination. On the other hand, digitalization can adjust the communication costs between enterprises and the market through information coordination. From the perspective of the relationship between producers and consumers, digital platforms can reduce consumers' search costs for manufacturers and improve search efficiency. From the perspective of the relationship between enterprises and upstream companies, digital development can enable enterprises to have a more comprehensive and transparent understanding of upstream companies and communicate

more efficiently with them, reducing negotiation and negotiation costs, that is, external transaction costs.

From the perspective of supply chain efficiency, the purpose of digital transformation for enterprises is to provide customers with more competitive products. The achievement of this goal is not only within the enterprise itself, but also involves all aspects of the upstream and downstream supply chain. Firstly, digital transformation is beneficial for enterprises to establish a more rational and efficient supply chain integration system, optimize resource allocation, and thereby improve enterprise performance. Whether in cooperation with upstream suppliers or downstream customers, establishing trust relationships between core enterprises and a small number of supply chain partners can screen and stabilize loyal customers. This cooperation model that improves supply chain concentration is conducive to improving business efficiency. Secondly, with the support of digital technology, suppliers, producers, and retailers may play differentiated roles and play different roles in different supply chains, transforming the supply chain into a supply network (Chen Jian et al., 2020). The previously inefficient links may be improved in this process. Therefore, the ability of enterprises to improve customer concentration, supplier concentration, and supply chain concentration through digital transformation to enhance export competitiveness needs further testing.

5. Conclusion and Suggestions

Digital trade plays an important role in enhancing the export competitiveness of Chinese enterprises. Enterprises should fully understand the impact of digital trade, actively explore the development path of digital trade, enhance export competitiveness, and contribute to the high-quality development of China's foreign trade. In order to further leverage the role of digital trade in enhancing the export competitiveness of Chinese enterprises, this article proposes the following policy recommendations from both the government and enterprise levels:

Policy recommendations at the government level: (1) Improve the digital trade policy system, introduce a series of policy measures, and encourage enterprises to use digital technology to enhance their export competitiveness; (2) Increase investment in digital infrastructure construction, improve the coverage and performance of digital infrastructure, and reduce the cost of digital trade for enterprises; (3) Promote standardization and rule making in digital trade, and promote the formation of a fair and reasonable international order for digital trade. At the same time, promote the development of domestic digital trade standards and improve the interoperability of digital trade; (4) Strengthen the training of digital trade talents, establish a digital trade talent training system, provide specialized digital trade education and training, and deliver high-quality digital trade talents to enterprises.

Policy recommendations at the enterprise level: (1) Enhance digital trade awareness, strengthen digital trade knowledge training for management and employees, and improve overall digital trade awareness; (2) Increase investment in digital technology, introduce and digest advanced digital technologies, improve the digitalization level of products and services, and enhance export competitiveness; (3) Innovative business models: Enterprises should continuously innovate their business models using digital technology based on market demand, such as developing cross-border e-commerce, customized production, etc., to adapt to the development trend of digital trade; (4) Establish and improve risk management mechanisms to prevent security risks such as cyber attacks and data breaches, and ensure the smooth operation of digital trade; (5) Strengthen cooperation with international partners, jointly develop international markets, and enhance one's international competitiveness through collaboration.

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