

Internationalization Motives of Emerging Market Firms: A View from Chinese State-Owned Enterprises

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Abstract—The dynamic business environment drives us to revisit the existing typologies and frameworks of internationalization motives. This study examines Chinese state-owned enterprises' motivational factors behind their internationalization. The qualitative research adopts the case study method of in-depth semi-structured interviews. Seven interviews have been conducted with managers of Chinese state-owned enterprises. Results show that Chinese state-owned enterprises' internationalization is motivated by several drivers, including end customer market seeking, natural resource seeking, knowledge seeking, efficiency seeking, global value consolidation seeking, geopolitical influence seeking, reactive motives, network seeking, brand reputation seeking, and other triggers of internal conditions. Besides, the findings explain that external crisis like the COVID-19 pandemic has relatively small or even no effects on Chinese state-owned companies' internationalization motives. The contribution of this study can enrich scholars' understanding of emerging market firms' internationalization motives and provide managerial implementations for practitioners.

Keywords—Internationalization motives, emerging market firms, Chinese state-owned enterprises

I. INTRODUCTION

In recent decades, the unstoppable trend of globalization has led a country's financial structure to be interconnected by increasing cross-border transactions (Bairoch and Kozul-Wright, 1998). Companies must find new ways to succeed in a globalized and converged market. Enterprise internationalization is the process of involving in the international environment (Daly, 1999). Companies are involved in cross-border activities in various methods and for diverse reasons. Companies' internationalization is goal-directed, in other words, the internationalization of a company—what it contains, how to organize and manage it is inseparably associated with the motives behind it (Benito, 2015).

There are many categories of internationalization motives, which contains push and pull (Kacker, 1985), marketing seeking, resource seeking, efficiency seeking, and strategic asset-seeking motives (Dunning, 1993),

proactive and reactive (Czinkota, 2004), overarching factors and firm-specific factors (Harrison, 2008), commercial, industrial, environmental and opportunity (Stremtan *et al.*, 2009), sell more, buy better, upgrade and escape (Cuervo-Cazurra *et al.*, 2015). Factors that drive an enterprise's internationalization may include the following: achieving higher profits, low demand in the home market, high demand for the company's products or services in foreign markets, reinforcement of the brand image, and the company's previous experience with international trade (Kubíčková *et al.*, 2016). Traditionally, researchers have concentrated primarily on firms in developed markets when examining internationalization motives. Emerging economies have grown rapidly in recent three decades and emerging market firms have started to be unignorable components in the arena of global competition. Moghaddam *et al.* modify the Dunning typology of internationalization motives from the perspective of emerging market firms (EMFs) with six categories: 1) End Customer Market Seeking, 2) Natural Resource Seeking, 3) Downstream and Upstream Knowledge Seeking, 4) Efficiency Seeking, 5) Global Value Consolidation Seeking, and 6) Geopolitical Influence Seeking (Moghaddam *et al.*, 2014). One of the most vital motivations for emerging market firms to internationalize is the home country's institutional and market constraints (Luo & Zhang, 2016). Institutional pressures and benefits from the home countries can not only push enterprises of emerging markets to internationalize passively to escape from the constraints, but also stimulate EMFs to expand abroad positively. Social capital is also an essential determinant for internationalization of EMFs. The founder's personal network provides valuable advice and information advantages for learning and entering foreign markets (Zhou *et al.*, 2007).

Researchers have doubted the adequacy of the previous classification of companies' internationalization motives because the changing environment leads us to rethink internationalization motives (Cuervo-Cazurra *et al.*, 2015). The global crisis of COVID-19 brings new opportunities or challenges for companies to internationalization, which

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could also impact the motivations behind their cross-border activities. The pandemic has led the problems of production and the closing borders regulations also make the transport of goods more difficult. This may negatively influence foreign trade and hinder the firms' internationalization decisions (Kersan-Škabić, 2021). At the same time, other firms have found and grasped the opportunities offered by the pandemic. They push through the limitation of traditional modes of thinking and growth to achieve a true digital transformation and turn the crisis into an opportunity. In the post-COVID-19 period, the reasons that prompt firms to internationalize may be different before experiencing the crisis. Thus, we need to integrate and update the motives of internationalization to respond to the changes.

China, as one of the emerging economies, its firms' internationalization has been growing increasingly over the past decade, which induces scholars to re-evaluate and extend the relevant theories (Kersan-Škabić, 2021). China's accession to the World Trade Organization (WTO), and its adoption of the 'Belt and Road Initiative' strategy have accelerated the internationalization of Chinese enterprises. Companies' ownership types (private companies, state-owned, family-owned enterprises, etc.) are seen as driving variables for increasing EMFs' international expansion (Cuervo-Cazurra *et al.*, 2015; Chari, 2013). Emerging economies' governments always offer valuable inputs to assist enterprises to internationalize, and the state-owned enterprises' (SOEs) internationalization motives can be significantly different from family-owned companies and private companies (Wang *et al.*, 2012).

SOEs are often founded by the government to address market deficiencies that private firms cannot solve (Lawson, 1994). For example, in some industries like education and healthcare private firms may not be able to generate revenues to cover the expenses and thus require cooperation from the state (Cuervo-Cazurra, 2018). The internationalization motives of SOEs may be to address the solution of global market deficiencies and the protection of global public goods (Karolyi *et al.*, 2017). Because governments play a significant role in shaping and operating SOEs, they motivate SOEs to expand abroad for countrywide positive externalities. These countrywide positive externalities include three different dimensions: 1) various governments hope to strengthen the prestige and power of states on the international stage. The national policies, cultures, and norms of the home countries of SOEs could be heard by other host states through internationalization of SOEs; 2) governments seek to build multinationals that can obtain external knowledge and channel it back into the national economy; 3) the governments to improve the long-term growth of the domestic economy, which is beneficial to the residents and make it possible to strengthen social alliances with political parties and trade unions (Mariotti & Marzano, 2019). At the same time, to support the government's strategic goals, governments give SOEs privileged access to overcome the obstacles that may prevent them from expanding abroad. For instance, the cheap loans, financial

support, and available channels to obtain information about the foreign market and political networks (Benito, 2016). Facing the set of favorable strategies for internationalization, SOEs can be more willing to expand into foreign markets. However, SOEs' responses to exploit these benefits and internationalize are different due to the different types of government involvement and the firms' capabilities and resources (Lawson, 1994). When the state plays a dominant high-committed owner role, the firm's internationalization is greater and particularly motivated by political objectives (Mariotti, & Marzano, 2019).

This paper aims to identify the emerging market firms' internationalization motives from the perspective of Chinese SOEs. Previous studies have explored several motives of internationalization through deductive and theoretical methods. Empirical research and evidence are still needed to examine the typology in the field of internationalization motives. The existing literature focuses on private companies and small and medium-sized enterprises (SMEs). By contrast, this paper chose SOEs as research subjects to improve the limited empirical knowledge of the SOEs' internationalization motives. By classifying, integrating, and identifying any potential internationalization motives, the reasons why companies actively engage in internationalization activities could be better revealed.

II. DATA AND METHODS

The study demonstrates the interactive relationship between empirical evidence and ideas through an analytical framework (Ragin & Amoroso, 2011). The analytical framework was constructed through reviewing academic and professional literature, reports and documents. Primary data is derived from in-depth semi-structured interviews in 2021 (see Table I). The author interviewed 7 Chinese SOEs managers across 7 different industries. The participants provided us with insights into their company's international expansion.

TABLE I. INTERVIEWS

Interviewee Name	Position	Industry	Employment
Interviewee A	President of a branch	Bank	5 years
Interviewee B	Marketing manager	Utilities sector	7 years
Interviewee C	Business manager of a subsidiary	Energy and chemical	8 years
Interviewee D	Investment manager	Housing construction	3 years
Interviewee E	Engineer manager	Real estate	5 years
Interviewee F	Project Manager	Steel	10 years
Interviewee G	Manager of a subsidiary	Telecommunications	4 years

The interviews were recorded, transcribed, and coded to allow for a qualitative content analysis of the enterprises' international activities and the motives behind

internationalization. Moghaddam et al.'s typology of EMF's internationalization motives has been verified, and another four themes were labelled based on key codes: reactive motives, networking seeking, brand reputation seeking, and triggers of internal conditions (shown in table II). The data collection process is strictly undertaken in the voluntary principle, and interviewees mentioned in the text are anonymous.

TABLE II. MODIFIED TYPOLOGY OF EMERGING MARKET SOES INTERNATIONALIZATION MOTIVES

Internationalization Motive	Motivation Description
End Customer Market Seeking	Pursuit of orders from foreign markets
Natural Resource Seeking	Pursuit of tangible raw materials for the company's product/ services
Knowledge Seeking	Pursuit of tangible raw materials such as oil, metal resources, and so on
Efficiency Seeking	Pursuit of cost reduction
Global Value Consolidation Seeking	Pursuit of a stronger brand through integrating the global value chains
Geopolitical Influence Seeking	Pursue to realize political objectives of the government
Reactive Motives	Reaction to the need of the domestic customers or competitive pressures
Network Seeking	Pursuit of the establishment of business relationships abroad with stakeholders
Brand Reputation Seeking	Pursuit of improving brand influence and brand reputation through expanding abroad
Triggers of internal conditions	Enterprise's capacities and existing networks promote it to internationalise

III. RESULTS AND DISCUSSION

A. Internationalization Motives

1) End customer market seeking

Although Moghaddam et al.'s typology focuses on firm-level and believes the incomes of some companies depend upon the orders from customers, which ignores the characteristics of SOEs. Most respondents of this research agreed that seeking customers is one of the major motives for their companies to explore the international markets. For example, interviewee G claimed: "In my opinion, gaining more profits is the important reason for most companies why they pursue expand aboard, so are we. More customers directly mean more revenues". Interviewee A, who is the president of one branch at China Construction Bank, has a different viewpoint, he explained: "Of course, we need to seek more customers, but in some markets, even though we cannot make profits, we still open new branches there. Because we need to satisfy some Chinese companies' needs for investing abroad and expand the influence of Chinese yuan".

The reason for the different views is because of the characteristics of the banking industry and the state-owned commercial banks. Financing is an outstanding problem that restricts the international development of enterprises (Zhang, 2008). Enterprises need the help of the overseas

branches of domestic banks because it is difficult to obtain financial support from the host country's financial institutions. Besides, the enterprises' degree and operation of internationalization relate to the international development of banks. The degree and scale of internationalization of banks determine the level of international expansion to a certain extent, while multinationals are the main customers of international banks. To a certain extent, the internationalization motive for banks is to seek more customers, because the numbers and scale of the multinationals are positively related to the degree of internationalization of banks (Zhang, 2008). Banks' internationalization could encourage other enterprises to expand internationally, and it may make them have more customers.

However, according to the words of interviewee A, some new overseas branches cannot get profits at this stage, which probably means they cannot get directly "orders" from the customers. For some SOEs like banks, their internationalization motives are not only "pursuit orders from customers in foreign markets", but also trying to satisfy the need for internationalization of domestic enterprises and establish a relationship with potential customers.

2) Natural resource seeking

The results of this research indicate that the users need to consider the industries of the firms when analyzing firms' internationalization motives under this category. Most respondents believed their companies' internationalization activities are not motivated by seeking natural resources. By contrast, interview C thought the natural resources are significant motives for their firms to expand abroad. He claimed: "Definitely yes. The oil resource is limited in China. As one of the largest oil refining companies in the world, our company needs to internationalize to get oil source from upstream in the value chain and ensure the needs of our consumers". Interview F had a similar view to interviewee C, explained: "Yes. Some metals still rely on imports, such as nickel and copper". However, the remaining participants mentioned that seeking natural resources cannot be their firms' internationalization motivation because these SOEs are not manufacture-orientated.

3) Knowledge seeking

Companies could exploit their existing technological capabilities through international expansion, and new technologies, skills, or knowledge can also be acquired through the process of internationalization (Bhagat et al., 2002). EMFs tend to have fewer existing advantages to exploit in the host country than firms in developed markets, making them more likely to engage in knowledge-seeking internationalization with an explorative strategic orientation (Kedia et al., 2012). Every respondent of this research approved that one of the intentions of SOEs' internationalization is to seek knowledge. For instance, interviewee C said: "Acquiring knowledge is important. It can promote the innovation of our company. And we have a long-term goal of internationalization, we focus on expanding towards advanced markets at present to seek technology and product development knowledge at present.

From 2024 to 2035, we expect to become a world-class oil company. Then, we will focus on getting more management or operation-related knowledge to have a well-established international management system". Besides, Interviewee F added that: "We hold conferences annually with other companies in the same sector to share experiences, exchange views, and discuss work. I think other companies' experience of successful internationalization can help our firm to identify the opportunities and risks in international markets and help us determine whether there is strategic profit in the field".

Based on what Interviewee F said, it suggested that seeking experiential knowledge is also the internationalization motive for companies. Experiential knowledge refers to how to use the resources that an enterprise must have for participating in internationalization, to organize, manage and develop internationalization operations knowledge, including the unique technical capabilities of the company's internationalization and knowledge of management operations. Experiential knowledge is closely related to a company's market diversity (Hadley & Wilson, 2003). International experiential knowledge could be simply divided into two aspects: foreign business knowledge and foreign institutional knowledge (Blomstermo *et al.*, 2004). The foreign business knowledge aspect is associated with the experience related to customers, competitors, and the market, while foreign institutional knowledge means the knowledge of culture, ethics, norm, and institutional structure. The degree of a firm's internationalization and the profits gained in foreign markets are positively related to the foreign institutional knowledge of the firm (Hadley & Wilson, 2003). The differences in two types of experiential knowledge levels determine the differences in internationalization motives. To successfully carry out the internationalization projects, the company may have to gain experiential knowledge to be familiar with foreign policy, laws, and regulations. Furthermore, the firms' networks could also offer opportunities for them to learn other lessons.

4) Efficiency seeking

Efficiency seeking is mainly related to cost reduction. For example, companies may gain low-cost labor through acquiring other companies in low-wage countries. Most of the respondents agreed that efficiency-seeking is one of the motivational factors for enterprises' internationalization. Interviewee A explained: "Banks can benefit a lot from scale economy. As technology becomes more complex and the cost of new product development increases, it is only profitable to share the cost among many products. Based on improving asset quality and resource utilization, we actively expand the scale of bank and obtain the scale income". Global reasonable distribution of commercial banks brings many advantages for them, such as reducing financing costs and accessing the market in a more convenient way to save costs (Zhang, 2008). Except for banks, Interview C mentioned: "Yes, we seek cost reduction from low-cost labor and low-cost material. In some foreign countries, they are not technologically capable of carrying out petroleum exploration and

development projects. Our company can help them develop the oil, thus we could also gain oil at a low price".

The results of the study illustrate two aspects of SOEs' utilization efficiency search: the use of different costs in foreign markets and the advantages of scale economy. Efficiency seeking motivation may explain the reasons why some foreign countries are the location choices for SOEs' internationalization.

5) Global value consolidation seeking

SOEs use different methods to embed or integrate into the global value chains to realize internationalization transformation. Interviewee E stated: "our company is mainly engaged in oil and chemical products business, but we also have subsidiaries in hospitality, real estate, and other industries". Interview G said: "Our company has partnered with more than 40 operators in different countries and regions to provide global data services and corresponding value-added services. I think our company has received high-quality and stable operational support services through integrating the global value chains, which ensures the companies to achieve strategic transformation".

SOEs can embed in new global value chains, for example, Sinochem Group acquired nearly 60% share of the Italian Pirelli Group and started their business operation in the tire manufacturing industry. By integrating the value chains of different industries, the enterprises could decrease risks by engaging in activities in several different industries and it may provide SOEs with new opportunities. Besides, SOEs could integrate the value chains in the existing industry. The ideal result of implementing this type of value chain consolidation is that the enterprise finally controls the entire industry value chain in which the existing value activity is located. Enterprises can reduce transaction costs and build a stronger brand by doing this kind of global value consolidation.

6) Geopolitical influence seeking

All respondents of this research confirmed government's political objective is a motivating factor. Interviewee A said: "Definitely yes. I can say the most important internationalization motivation factor of China Construction Bank is to respond to the call of the Chinese government". Interviewee C further added: "The political objectives of government motivate our company to internationalize significantly. Sinopec Group has invested in oil and gas resources in many African countries, including Sudan, Egypt, Angola, and so on. The Chinese government hopes to establish a long-term friendship with African countries. Based on the existing collaboration projects, Sinopec will actively deepen cooperation with African countries in the fields of oil and gas investment, trade, and engineering services".

The results indicate that for some SOEs in China, the objective of the state is the dominant driver of internationalization, and they may be willing to lose money in some foreign markets to obey the government's arrangement. SOEs affiliated with higher-level government level are easier to access crucial resources in their home country to deal with the difficulties involved in investing abroad. For emerging market firms with strong

marketing and technical resources, governments have a great impact on internationalization, indicating that they can better respond to institutional pressures and conduct overseas investment projects (Lawson, 1994).

Additionally, the research participants were asked whether the host countries' governments influence their internationalization intentions. Some interviewees gave interesting answers. For example, Interviewee D said: "Today our international construction projects were won from competitive bidding. And every cooperation is established based on respecting each other. If a foreign country's government does something that goes against the diplomatic principles of the Chinese government, our company's intent of expanding into that foreign markets would be seriously affected, and we may also consider terminating the existing cooperation with them". It could be concluded that not only do the home country's political objectives motivate SOEs to internationalize, but also the international relations influence the location choices and internationalization intentions of SOEs.

7) Reactive motives

Moghaddam et al.'s framework was built upon the classic classification of Dunning's typology, which mainly reflects what the enterprise seeks when internationalizing in new markets. However, the findings show that some kinds of internationalization motives are reactive instead of seeking something proactively. For example, Interviewee A mentioned that China Construction Bank Co., Ltd must passively internationalize to provide funds for enterprises in foreign markets.

On the one hand, it is difficult for multinational companies to obtain financial assistance from the host countries' organizations, and they need the help of overseas branches of their home country's commercial banks. On the other hand, the lack of overseas customers may lead domestic banks to fail to support the multinational operations of domestic enterprises effectively. Under this pressure, the state-owned commercial banks must establish overseas branches to satisfy the needs of other enterprises and achieve sustainability. Reactive motives are defined as "a firm reacts to pressure or threats in its home market or foreign markets and adjusts passively to them by changing its activities over time" (Hollensen, 2017). Firms' internationalization is usually associated with competitive pressures, unsolicited orders by foreign customers, saturated domestic market, and so on (Hollensen, 2017; Bai et al., 2021).

8) Network seeking

Scholars find that establishing business relationships abroad is one of the motivation factors for firms to enter foreign markets (Kubíčková et al., 2016). The network model of internationalization shows external shareholders have an impact on the internationalization of the firms and firms could acquire valuable resources through developing the networks (Chetty & Holm, 2000). In addition, the dynamic capabilities theory indicates that managers could obtain or improve their dynamic capabilities through networking to respond to a changing environment (Teece, 1997). The firm's dynamic capabilities are associated with

the ability to enter new foreign markets, and the dynamic capabilities coul(Priyono et al., 2020).

Participants gave interesting insights. For example, Interviewee E stated: "network is important for the development of a company, and I believe pursuing connections with cooperative ventures is a motivational factor for our company's internationalization. Especially for a production-oriented enterprise, establishing the relationships with more organizations outside the company means the enterprise has bigger chances to receive orders of products".

Besides, companies could gather experiential knowledge by expanding their networks. Cultivating the business relationship may provide companies with valuable foreign business knowledge and experience to develop and coordinate their positions in foreign markets (Hadley & Wilson, 2003). In some cases, the company's strategic objectives cannot be achieved using the existing network, so the company tries to develop and expand the network with new international partners. A strong network could help the company to develop foundations for internationalization strategies, and these relationships can provide the means and mechanisms to realize these plans (Chetty & Holm, 2000).

9) Brand reputation seeking

All participants were asked the question that "except from the seven types of motives of the framework, what other motives are there to encourage your company to internationalize". It should be noted that six out of the seven interviewees answered: "improving brand influence" on this question. Interviewee B explained this statement and stressed: "When a company has developed well in the domestic country if the company wants to make progress, it must internationalize..... Enhancing the brand's influence means it can occupy a larger share in both the regional market and the global market..... We hope to improve the brand reputation of company B when internationalizing, because the brand image also represents its home country image". Interview D supported this viewpoint by adding: "Based on the '14th Five-Year Plan' of government, SOEs should play leading roles in building world-class enterprises, and make greater contributions to building a modern socialist country in an all-round way".

These findings show that improving brand influence and reputation is a primary motivation for SOEs' internationalization. It also indicates that SOEs in China, especially SOEs listed in the World Top 500 Enterprises, are very influential in domestic countries and they seek to enlarge their brand influence in global markets for sustainable development. Some managers in Chinese SOEs believe that the image of SOE represents the image of China so they seek to improve the brand reputation.

10) Triggers of internal conditions

In addition to seeking something and reacting to competitive pressures, the resources and capabilities of the firms are also motivating factors of internationalization. The findings of this research confirm that the existing networks of the CEO and previous experience of expanding abroad are internationalization motives for SOEs. This type of motive usually only exists in mature

enterprises, and these enterprises have accumulated certain resources and capabilities that enable them to expand abroad. Enhancing managers' skills and capabilities can accelerate the development of enterprise internationalization because the primary drivers of internationalization exist within the company (Suárez-Ortega & Álamo-Vera, 2005). For instance, Interview G emphasized: "The existing networks of CEO push our company to expand abroad. Our CEO has the experience and knowledge of operating business in international markets."

We can understand the viewpoint of Interviewee G using the lens of AMC theory. Scholars believe that the basic logic of the AMC theory is also applicable to internationalization study (Chi *et al.*, 2013), and this theory proposes three driving factors that affect decision makers' choices, including awareness, motivation, and capability (Xu *et al.*, 2020). The awareness dimension refers to the exposure to competitors and recognition of the competitive action taken by the opponent; motivation refers to the incentive for the organization to take competitive action, and capacity refers to the organization's resources and abilities that enable itself to implement competitive actions (Chi *et al.*, 2013; Xu *et al.*, 2020). In the context of internationalization, the AMC framework suggests that enterprises' awareness of competition and other domestic pressures can influence the decisions of internationalization. Therefore, enterprises' perception of international competition is a prerequisite to induce enterprises' internationalized behaviors. Companies' networks help themselves to cultivate the international dynamic capacities; networks also shape the enterprises' motivations to enter the international market, because companies may collect relevant information and knowledge through networks to understand international market customer needs (Lin *et al.*, 2020). Thus, the established relationship with the international strategic alliance and existing network can be regarded as the triggers for enterprises' international expansion. In such a changing business environment, the competitiveness of an enterprise relies on the dynamic capacities to face the challenges posed by competition. Involving in international networks can strengthen firms' dynamic internationalization capabilities and further enhance international performance (Pinho & Prange, 2016).

B. Impacts of COVID-19 Pandemic on Internationalisation Motives

The results indicate the COVID-19 pandemic does not impact the internationalization motivations of Chinese SOEs. Interviewee E gave an in-depth insight on it while stating: "the trend of globalization is unstoppable, and companies need to swim with the tide. When the company develops well enough in the domestic market, it needs to go abroad for achieving bigger goals. It is inevitable for a company's development so that I think COVID-19 pandemic has no effect on the motivation of our company to internationalize". Interviewee G provided a reasonable explanation on it while stating: "The whole business environment is relentless, if your company does not occupy a certain share of the market, then it probably will

be taken over or eliminated. For example, the demands of buyers are becoming more and more complex, some small companies must keep improving themselves to meet consumers' needs. It is cruel to say that no progress means fail but it is true".

Indeed, coronavirus influence the internationalization activities of companies. Companies must consider the health and safety issues of their staff in foreign markets. Therefore, some relevant internationalization projects must be delayed, and the costs increased. For instance, Interviewee B stated: "I think the COVID-19 pandemic does not influence the internationalization motivations of Power China. The company must internationalize due to the dynamic business environment, and we need to remain competitive. Though the crisis does bring more risks when conducting internationalization projects, we need to be responsible for our employees' safety. This hindered the speed of expansion abroad". In addition to that, Interviewee D mentioned that: "Although the crises like wars and COVID-19 have made obstacles for our company's architectural engineering in foreign countries, the determinations and motivations of going abroad would not be changed."

The findings endorse the view that crisis affects the companies' options of internationalization entry modes and the speed of international expansion (Magnani *et al.*, 2019). This result could be explained by the nature and ownership of SOEs. Larger and older firms usually perceive fewer risks of crisis and uncertainty because they have more resources(Sharma *et al.* , 2020). SOEs tend to be bigger than common private firms, and they should play a leading role in driving private enterprises to internationalization (Liu, 2020). Therefore, SOEs could receive less influence in the COVID-19 pandemic and their internationalization motives would not be changed. Except for this, the globalization theory could also explain this result. Globalization expresses the unstoppable tendency of the world economy that integrates markets, finance, technology, and cross-countries trade and investments (Bitzenis, 2012). Under this viewpoint, internationalization is an irresistible choice for companies due to the continuous extension of interrelationships between the global economy. The unstoppable tendency of globalization in the aspect of economic, political, cultural, and social makes firms' internationalization motives would not be changed due to a crisis.

IV. CONCLUSION

Through conducting the case study of semi-structured interviewees and analyzing the qualitative data, the author identified ten types of internationalization motives for SOEs in emerging markets. The author highlights four contributions to the knowledge of internationalization motives. First, specific SOEs perceive different types of internationalization motives according to the different industries involved. For example, SOEs in the oil and steel industries believe "Resource Seeking" is one of the most significant reasons for them to develop abroad, by contrast, SOEs in the telecommunications industry do not recognize "Resource Seeking" as their internationalization motives.

Second, SOEs are not only motivated by “Seeking” something but also passively react to the need of the domestic customers and competitive pressures. For instance, the commercial banks in China also establish branches abroad to satisfy the need of financing for domestic enterprises’ internationalization. Under the lens of the AMC framework, the paper also confirms that Chinese SOEs’ perceptions of competition, established network relations, and capabilities could stimulate them to expand abroad. In other words, the existing networks of managers and capacities of enterprises are the triggers to stimulate SOEs to internationalize. It should be noticed that the internationalization motives of “Reactive Motives”, “Triggers of Internal Conditions”, and “Improving Brand Influence” are usually found in mature SOEs. These mature SOEs have generated certain resources to support their internationalization activities. Third, the findings disclose that “Geopolitical Influence Seeking” is a significant category of incentives for Chinese SOEs’ international expansion. Most companies are profit-orientated when developing abroad, however, Chinese state-owned commercial banks, are willing to lose some money to achieve the long-term political objectives of the government. It shows consistency with the statement that SOEs are motivated greater by broader political factors to internationalize when the state plays a dominant owner role (Mariotti & Marzano, 2019). Fourth, the results explain that external crises like COVID-19 do not affect the internationalization decisions and motives of SOEs but do negatively influence the international projects they were carrying out. The pace of firms’ internationalization was delayed due to COVID-19, but the motivations for internationalization of SOEs have not changed before and after the outbreak of the COVID-19 pandemic.

The research also has several limitations. The focus of this study lies in the Chinese SOEs. Further research could concentrate on other emerging markets when analyzing firms’ internationalization motives. Additionally, the samples of this research are limited. Even though the author has tried to include more industries to enrich the findings, many other industries have not been examined due to time constraints, and the SOEs in other industries may have different viewpoints of internationalization motives. Further research could delve into the typology to illuminate firms’ internationalization motives by differentiating industry, firm size, ownership, and other reasonable variables factors. Except for that, the study does not consider the influence of subjectivity of CEOs or managers toward internationalization motives for the companies. The subjective factors of CEOs, such as personality traits, may influence the strategic choices of the companies (Gupta *et al.*, 2019). Further research can explore the influences of CEOs’ subjective factors on internationalization motives.

CONFLICT OF INTEREST

The authors declare no conflict of interest.

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