

DIGITAL TRANSFORMATION AND ENTRY OF DOMESTIC ENTERPRISES INTO INTERNATIONAL MARKETS

In modern economic conditions, domestic enterprises face the necessity of entering foreign markets. The domestic market has limited capacity and cannot absorb all the offered products, forcing companies to expand their activities beyond national borders. High competition in international markets requires careful planning and the development of a growth strategy that ensures long-term competitive advantages.

The purpose of this article is to analyze the key factors influencing the digital transformation of enterprises and their impact on international expansion. Understanding these factors will help businesses effectively navigate global markets and implement appropriate digital strategies [4].

Companies are revising their business strategies in modern operational conditions for the following reasons (Figure 1).

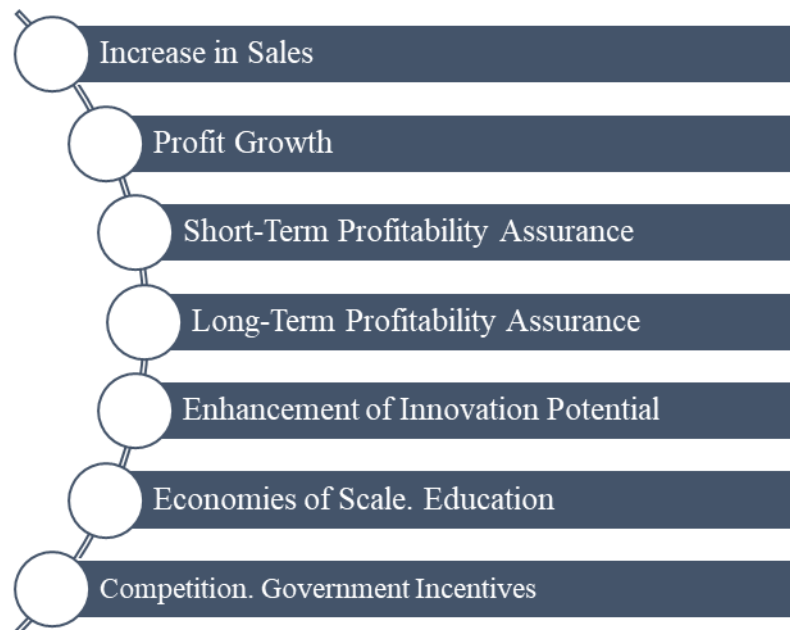


Fig. 1. Reasons for Enterprises Entering International Markets

As we can see, the reasons listed above illustrate the necessity of digital transformation for successful global expansion. Digitalization facilitates efficiency improvement, cost reduction, and the creation of competitive advantages, making it a crucial element in modern business development [2, pp. 89-102].

Modern business is increasingly oriented toward global markets, and digital transformation has become a key factor for successful international expansion. The implementation of advanced technologies not only contributes to expanding market presence but also enhances operational efficiency, automates business processes, and improves customer interaction [5, pp. 45-78].

Digital transformation in entering international markets involves several key aspects:

1. ***Business Process Automation.*** The transition to digital technologies enables companies to improve the efficiency of internal processes, reduce costs, and minimize risks associated with human factors. The use of ERP systems (Enterprise Resource Planning) helps optimize resource management, while CRM systems (Customer Relationship Management) improve customer interaction in international markets [3, pp. 156-189].
2. ***Use of Digital Platforms for International Expansion.*** Modern companies actively leverage e-commerce and marketplaces to enter foreign markets. Platforms such as Amazon, Alibaba, and eBay provide opportunities to reach a broader audience without the need to establish physical offices. Additionally, proprietary online stores using digital marketing strategies allow businesses to better control customer interactions. For instance, Alibaba has successfully expanded globally by leveraging its digital ecosystem to connect international buyers and sellers [1].
3. ***Cybersecurity and Data Protection.*** With the increasing digital presence of companies in international markets, cybersecurity risks also grow. Reliable data protection and confidentiality are critical to maintaining customer and partner trust. The implementation of modern security standards, such as GDPR (General Data Protection Regulation), ensures compliance with international norms [6].
4. ***Digital Marketing and Personalized Customer Engagement.*** To effectively attract customers in different countries, businesses must utilize digital marketing tools. SEO optimization, content marketing, targeted advertising, and data analytics enable companies to tailor marketing campaigns to the needs of each market and ensure a personalized approach to customers. For example, Nike utilizes AI-driven marketing strategies to personalize customer experiences and enhance brand engagement worldwide [7].
5. ***Data Analytics and AI Technologies.*** The use of Artificial Intelligence (AI) and Big Data analytics allows companies to analyze consumer behavior, predict demand, and make data-driven strategic decisions. This contributes to more precise audience targeting and increases the efficiency of marketing and sales strategies[6].
6. ***Cloud Technologies and Business Flexibility.*** Cloud computing enables companies to scale operations without significant investments in physical infrastructure. The use of cloud services such as AWS, Google Cloud, or Microsoft Azure allows businesses to quickly adapt their models to different market conditions and respond swiftly to changes in the global business environment. Tesla, for example, utilizes cloud-based infrastructure to streamline global operations and enhance data-driven decision-making [9].
7. ***Product Localization and Adaptation.*** For successful international market entry, companies need to adapt their products and services to cultural specifics and consumer preferences. Localization involves not only translating content but also adapting design, functionality, and marketing strategies [8, pp. 12-34].

To further illustrate the role of digital transformation in global expansion, it is important to emphasize the growing influence of emerging technologies. The rapid development of AI (Artificial Intelligence), machine learning, and blockchain is reshaping the way businesses approach both operations and customer relations. These technologies are not only streamlining supply chains and improving decision-making processes but also

enabling companies to build stronger, more transparent relationships with international partners and customers. As digital tools evolve, businesses must remain agile, continuously adopting innovations that will enhance their ability to compete and succeed in global markets. This strategic approach will be essential for companies aiming to achieve sustainable growth and maintain their competitive edge in an increasingly digital world.

Digital transformation is an integral part of a company's successful international expansion. The adoption of innovative technologies helps optimize business processes, improve customer communication, and secure competitive advantages. Among the most effective tools are digital platforms, cloud computing, and AI-driven analytics, which enable companies to remain agile in the competitive global market. A comprehensive digitalization approach is key to the sustainable development of businesses in the global economy.

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