Università
Ca'Foscari
Venezia

Master's Degree Programme in

Languages, Economics and Institutions

of Asia and North Africa

Curriculum Language and Management to China

(ordinamento ex D.M. 270/2004)

Final Thesis

Alibaba.com as a tool for the internationalization of Made in Italy SMEs towards China.

Supervisor:

Ch. Prof. Giorgio Stefano Bertinetti

Graduand:

Caterina Minelli

Matriculation number 882983

Academic Year

2020-2021

TABLE OF CONTENTS

引言

本论文的研究目的旨在分析阿里巴巴网站作为 B2B 领域中以"意大利制造 "为核心的中小型企业（SME）提升国际化水平（尤其是对华国际化）方面的一件工具。如今无数企业都开始将中国视为投资的新兴市场，因其消费者的购买力和活跃度各国都无法比拟。在邓小平于 1987 年实施改革开放之后，这个国家走上了一条创新之路，不满足于只赶上其他国家，它还意在成为领先的经济体之一，如今该国的这个目标已圆满实现。

意大利企业也对中国市场颇感兴趣，尤其是那些以"意大利制造 "为纽带的企业，因为那些蕴含意式风情的产品在中国市场得到了良好的反馈。最先推动中国国际化进程的毋庸置疑要属跨国公司了，它们将意大利产品引进市场并激发了中国消费者的兴趣，两国之间的贸易往来变得愈发频繁。近年来，以"意大利制造 "为核心的中小企业开始考虑将中国市场作为其国际化征程的目的地，这些想法促使意大利政府积极扶持这类企业实现其业务国际化。因为中小企业纵贯了意大利的经济框架，它们的繁荣可以带动国民经济，另一方面，"意大利制造 "的产品作为海外大使，也宣扬了其意式生活的理念。积极参与这一国际化浪潮的意大利政府机构有 ITA、ICE、SACE、SIMEST：它们都在各自的执行领域出谋策划，以助力意大利和中小企业的对华国际化进程。

此外，为了进一步扶持此类企业，意大利政府在过去 3 年里与阿里巴巴集团签署了数项协议。该集团旗下覆盖著名的 B2B 电子商务 Alibaba.com 及其他应用程序和业务类目。在 2018 年双方就签署了一项协议，联合在 B2C 平台“天猫国际”上开设了一个主推“意大利制造”产品的频道“意大利国家馆”。在 2020 年双方进一步达成共识，在 B2B 平台阿里巴巴网站上又开设专属频道"意大利制造馆"来推广意大利产品及其企业。此类举措，尤其后者，是本论文的理论基础，因为它们是意大利政府与阿里巴巴集团签署的第一批此类协议。

然而，尽管上述举措都是振兴企业的可行方案与手段，但国际化进程所蕴含的风险依旧重重且难以规避，并间接影响着企业的命脉，因此有效的风险管理变得不可或缺。

综上所述，考虑到意大利中小企业与其极具特色的产品，也鉴于它们对中国市场这种强烈的兴趣，此论文旨在探究阿里巴巴网站，中国的 B2B 电子商务平台是否能成为主打“意大利制造”的中小企业迈入中国的国际化进程工具。本文结构如下：

第一章整体概述了意大利的工业布局，以便充分展示意大利中小企业的发展情况。在揭开了意大利的经济面貌且罗列出数据后，开始探讨 主打"意大利制造 "的中小企业希望将其业务国际化（尤其是对华国际化）的原因，分析了中国市场的特点及其吸引外企的主要因素。最后，为了更全面地概览意大利中小企业的情况，对扶持意大利企业实现国际化的意大利政府机构：ITA、ICE、SACE、SIMEST 进行了简要分析。

第二章全篇落笔于阿里巴巴，即阿里巴巴集团，B2B 电子商务平台 Alibaba.com，旨在强调和解释它与本研究课题的相关性，即主打“意大利制造”的中小企业。在对阿里巴巴的两种身份及其发展史和与 B2B 贸易相关的主要特点进行简要描述后，分析主题将转向 ICE 与阿里巴巴的合作，如在 B2B 平台 Alibaba.com 上对“意大利制造”的推广。

第三章也是末章，分析了国际化进程中的风险以及阿里巴巴网站在抵御这些风险方面的有效性。第一部分深入研究了风险的定义及风险管理过程，中心是两个主要的风险管理框架 ISO31000 和 ERM，以便领略一个希望将其业务国际化的中小企业可能面临的阻碍。随后中心从更宏观的风险管理角度移到对中国本国蕴含的风险的更详细的描述，直至达到本文目的：分析阿里巴巴网站作为主打“意大利制造”的中小企业实现国际化的一件工具。

INTRODUCTION

The purpose of this paper is to analyze Alibaba.com as a tool for the internationalization of Made in Italy small-medium enterprises (SMEs) in the B2B sector, with a particular focus on the internationalization towards China. Nowadays, from the point of view of any enterprise, China is seen as the new market to invest in because of the purchasing power and vivacity of its consumers, that have no equal in any other part of the world. After the 1987 opening up reforms put into practice by Deng Xiaoping, the Asian country started a path towards innovation, in order not only to keep up with the rest of the world but to become one of the leading economies, a goal which the country has abundantly achieved.

The interest towards the Chinese market is also present in Italian enterprises, especially in the ones connected with the Made in Italy, because the products that recall a sense of Italianiness are positively welcomed in China. Of course, the first to internationalize towards China were the multinational companies that through their presence contributed to the creation of an interest towards Italian products in the Asian country, that later on was translated into an increased trade volume between the two nations. Recently, Made in Italy SMEs began to consider the Chinese market as a destination for their internationalization process, and this impulse towards China resulted in an increasing willingness of the Italian government in helping this kind of enterprises to internationalize their businesses. On one side they represent a consistent part of the Italian economic framework and therefore their success can contribute to the national economy, on the other side Made in Italy products are Italy's ambassadors abroad, conveying the Italian lifestyle's values. The Italian governmental entities involved the most in this internationalization wave are ITA, ICE, SACE, SIMEST: all these institutions, in their own field of action, offer proposals and plans created ad hoc to help Italian and Italian SMEs internationalize towards their chosen destination, including China.

Moreover, in order to further help enterprises in the last 3 years the Italian government made some deals with Alibaba Group, the group that owns the famous e-commerce B2B platform Alibaba.com and other apps and services that compose the Alibaba ecosystem. In detail in 2018 the two entities signed an agreement that consisted in the creation of a portal dedicated to the Made in Italy products on the B2C platform T-mall Global named "HelloITA". Then in 2020 the agreement between the two entities evolved, including the creation of another portal for the promotion of Italian products and companies on the B2B platform Alibaba.com, named "Made in Italy pavilion". These kinds of initiatives, especially the latter, are the conceptual basis for the creation of this paper, because they are the first agreements of this kind the Italian government signs with Alibaba Group.

However, even though the initiatives listed above are all valid options and support mediums for enterprises, the risks embedded in internationalization are still numerous and difficult to overcome because they can affect a lot of aspects of the life of an enterprise, making effective risk management a priority.

In light of all the above, considering the characteristics of the Italian SMEs and their products and considering this strong interest towards China, the purpose of this paper is to understand if Alibaba.com, the Chinese B2B e-commerce can be a tool for the internationalization towards China of Made in Italy SMEs. This paper is structured as follows:

The first chapter entirely aims to give an overview of the Italian industrial landscape, in order to adequately understand the situation of Italian SMEs. After a description of the Italian economic landscape's facts and figures, the focus moves to the reasons why Made in Italy SMEs wish to internationalize their businesses towards China, describing the main features of the Chinese market that attract foreign businesses. Lastly, for the purpose of giving a complete picture of the situation of Italian SMEs, a brief analysis of the Italian government agencies involved in the internationalization of Italian enterprises like ITA, ICE, SACE, SIMEST, is carried out.

The second chapter is fully dedicated to the description of Alibaba, as Alibaba Group and then as the e-commerce B2B platform Alibaba.com, with the objective of pointing out and explaining its relevance in relation to the subjects of this paper, namely the Made in Italy SMEs. After a brief description of the two sides of Alibaba, their history and main features relevant for B2B commerce, the subject of the analysis will shift to the cooperation between ICE and Alibaba for the promotion of the Made in Italy in the B2B platform Alibaba.com.

The third and last chapter analyzes the risks of the internationalization process and the effectiveness of Alibaba.com in offsetting them. More in detail in the first part the definition of risk and the risk management process are deeply examined, with a focus on the two main risk management frameworks ISO31000 and ERM in order to understand the obstacles a SME wishing to internationalize its businesses might face. Then the focus moves from a broader point of view of risk management to a more detailed description of the risks embedded in China as a country, until arriving to the purpose of this paper: the analysis of Alibaba.com as a tool for the internationalization of Made in Italy SMEs.

Cap. 1: Overview on Italian government's endorsed agencies that can help Italian companies during the internationalization process: ITA, ICE, SACE, SIMEST.

Cap 1.1: The Italian economic situation and structure in detail.

Nowadays analyzing the economic situation of a country is extremely difficult since the COVID19 epidemic brought enormous consequences for the economy of most of the world's countries, and this difficulty also applies when it comes to the analysis of the Italian economic situation. Nevertheless, there are some characteristics of the economic system that are fixed and can help understand the challenges that a certain country might or might not face every day.

The Italian economy is mainly driven by the secondary sector (21.42% of the GDP) and the tertiary sector (66.27% of the GDP) that together account for 87.69% of the total GDP in 2019[1]. The secondary sector's main sub-sector, in terms of GDP creation, is the manufacturing sector. This sector's characteristic is that it is mostly composed of family-owned small-medium enterprises (hereby after referred as SMEs) that produce high-end luxury products and are normally located in the heavily developed northern region of the country. The tertiary sector's main strength is the tourism sub-sector, since the whole peninsula is a common holiday destination not only during the summer but all year long. Even though the primary sector doesn't carry a lot of weight in the Italian economic situation, agriculture still employs 4% of the workforce and Italy is the first producer of wine in the world[2].

For the purpose of this paper, since the main focus is on SMEs and their internationalization process, a further clarification on the definition of enterprise is due. According to the EU Commission, as shown in the Table 1, a small enterprise is an enterprise who has less than 50 staff members, a turnover less or equal to 10 million euros and a balance sheet total less or equal to 10 million euros, while a Medium enterprise has

1 (Statista , 2021)

2 (Nordeatrade, 2021)

less than 250 employees, a turnover less or equal to 50 million euros, and a balance sheet total less or equal to 50 million euros[3]. The criteria that the EU commission took into consideration when deciding how to divide the enterprises into categories were staff headcount and turnover or balance sheet total, but it is important to notice that if a company is part of a larger group, in order to understand in which category of enterprise it belongs to, it also has to calculate the data from the whole group[4].

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Table 1: EU Commission definition of enterprises

Source: EU Commission, Commission recommendation of May 2003

Regarding the Italian secondary sector, according to ISTAT's enterprises permanent census of 2019, two third of the Italian enterprises (the 79,5% of the total) are microenterprises, 187 thousand (the 18,2% of the total) are small enterprises, and the remaining of them (2,3%) are medium or big enterprises[5]. Even though, as shown above, microenterprises represent the majority of the Italian enterprises, for the purpose of

3 (European Commission, 2021)

4 *Ibidem.*

5 (ISTAT, 2020) translated by the author.

simplifying and avoid confusion, in this paper they will be included in the SMEs category since most of the literature includes them in that category when it comes to receiving funds or getting help to internationalize their businesses.

In light of the aforementioned facts and analysis of the Italian economy, it is needless to say that the 2008 economic crisis hit Italy harshly and its consequences are still affecting the Italian economy at large, especially considering the great deal of troubles the COVID19 epidemic brought. According to the Italian economic journal "Il Sole 24 ore" "(ten years after the 2008 financial crisis) Italy didn't stop but proceeded with an exasperating slowness"[6]. In order to invert this negative trend, the Italian government decided to launch the "Industry 4.0" plan, following the example of Germany, United States and France.

"Industry 4.0" is the name of the worldwide fourth industrial revolution plan that promotes the digitalization of the industry in order to achieve the maximum efficiency and productivity during the production process, using new technologies such as cloud sharing, AI, big data analytics, 3D printing and so on[7]. Looking closely at the Italian implementation of the plan, there are some interesting features that can further help the comprehension of the scope of this paper.

The Italian version of "Industry 4.0", among other initiatives, includes a set of facilitations that closely benefit Italian SMEs, the country's productive heart, like hyper-depreciation measures and super-depreciation measures, and tax deduction[8]. Moreover, in the plan's initiatives accompanying guidelines, the government stresses that an investment of 0,1 billion of public funds will be done, focusing on digital selling chains

6 (Il Sole 24 ore, 2017) translated by the author.

7 (Il Sole 24 ore, 2017) translated by the author.

8 (Ministero dello sviluppo economico, 2017) translated by the author.

and the enhancement of the support given to SMEs, in terms of technological centers, workshops and training[9].

In this scenario of pursuit of technical innovation, it is worth mentioning the connection between the Italian “Industry 4.0” plan and the “Made in China 2025” plan, this idea was promoted by the president of Italy -Sergio Mattarella- during his latest visit to China. “Made in China 2025” is a 10 year-long action plan promoted by the Chinese government in order to implement the manufacturing sector[10]. As a consequence, in the last few years, the number of Chinese-Italian joint ventures in the technology and information fields, increased at prodigious pace. As an example, we can look at the partnership between Telecom Italia - a communication company - and the Chinese giant tech company Huawei. A key point of this endeavor included the opening of a research center in Italy, whose workers are 80% locals[11].

Taking into consideration the above-mentioned facts and figures it is safe to affirm that China is indeed playing a key role in helping the Italian economy, by being a resourceful, active business partner, and is most likely to continue to do so in the upcoming years.

Cap. 1.2: Why getting international towards China.

Being present on an international market seems the logical and necessary strategy for any company that aims to gain a leading role in any market, including its own domestic market. However due to cultural geographical linguistics barriers, language differences and so on, being able to successfully carry out the duties typical of an international market, is not as easy as it might seem, let alone enter the coveted Chinese market. For these reasons the Italian government created various agencies and entities with the aim of increasing the internationalization level of its companies. These agencies’ main task is to support the internationalization process of Italian companies towards the rest of the world, including

---

9 *Ivi* p. 18 translated by the author.

10 (Cinitalia, 2017) translated by author

11 *Ibidem*.

China. The most important since they are endorsed by the Italian government are SACE, SIMEST, ICE, ITA.

The reason why a lot of Italian companies choose to open themselves up to China is easily explainable by looking at the figures regarding its economy, and most importantly its import trends. Regarding China's economy figures it is important to distinguish between pre pandemic and current figures since the COVID19 epidemic also greatly impacted China's economic system.

Before the COVID19 epidemic of late 2019, China's GDP was 99,086.5 billion yuan, and the total value of imports and exports was 31,544.6 billion yuan, of which exports were 17,229.8 billion yuan and imports were 14,314.8 billion yuan[12]. According to the National Bureau of Statistics of China's press release of January 2020 "Generally speaking, the national economy in 2019 has sustained the general stable momentum by pursuing progress while ensuring stability. However, we should also be aware that the global economic and trade growth is slowing down, the instability sources and risk points are increasing, the structural, systematic and cyclical problems at home are intertwined and the economy is facing with mounting downward pressure"[13].

In 2020 after a year of lockdowns and restrictions the situation was the following: the GDP was 101,598.6 billion yuan, up by 2.3 percent over the previous year[14], the total value of imports and exports was 4,564.3 billion yuan, down by 15.7 percent over that of the previous year. The export value of services was 1,935.7 billion yuan, down by 1.1 percent. The import value was 2,628.6 billion yuan, down by 24.0 percent[15]

As the pandemic is still affecting the economic life of China, as well as the economic life of other countries, it is impossible to predict the economic trend for the next year with a

12 (National Bureau of statistic of China, 2020)

13 *Ibidem.*

14 (National Bureau of statistics of China , 2021)

15 *Ibidem*.

high degree of certainty. But focusing on the overall data, China did great in 2019 and its response to the pandemic, in 2020, is not only positive but also shows a growing GDP, which is an encouraging data for those companies aiming to keep exporting to China and also for those who are yet to enter the Chinese market.

Looking at the import trend there are a lot of factors that are interesting for the Italian companies that wish to export to China. First of all, as of 2019 China's was already Italy's main Asian trade partner and ninth trade partner overall, representing the 2,7 percent of Italian total exports, the equivalent of $14.5 billion[16]. Moreover, the Chinese government announced that "in order to coordinate the use of domestic and international markets and resources, and keep improving the quality and level of supply, and promote an efficient circular national economy, starting from January 1, 2021, China will implement temporary import tariff rates lower than the most-favored-nation (MFN) tax rate on 883 commodities"[17]. Lastly, it is fundamental to take into account the positive perception which "Made in Italy" carries in China. That is what that ultimately drives Chinese consumers to choose Italian products, hence making the demand for Italian goods skyrocket. For example, in 2018 among the leading luxury brands in China, -based on the Digital IQ index-, there were 2 Italian companies: Gucci, ranking fourth and Bulgari ranking second[18]. In the same year China imported $44083 billion US dollars of Italian food products[19], and this trend is set to increase in part thanks to the influence of the "One Belt One Road" initiative, of which Italy is a participant.

---

16 (Workman, 2020)

17 (Ministry of Finance of the People's Republic of China, 2020) translated by the author.

18 (Statista , 2018)

19 (Statista , 2021)

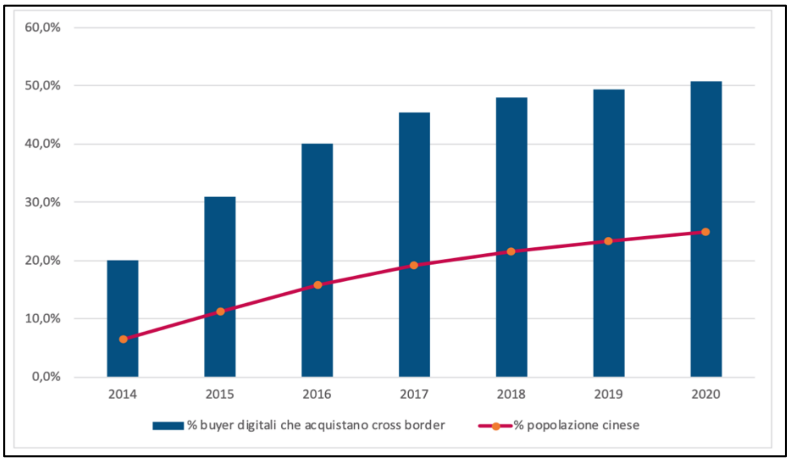

Table 2: Cross-border retail ecommerce sales in China 2014 - 2020

Source: Alizila 2017 (Alibaba Group)

Since in the purpose of this paper is to analyze Alibaba.com e-commerce platform's relevance as a tool for the internationalization of Italian SMEs towards China, it is worth mentioning that the *cross-border e-commerce*, which consist in an e-commerce that allows consumers in general to buy products in websites outside their own country, is rapidly increasing in China[20], making it more and more profitable to be online in a platform who offers visibility in the Chinese market.

With the COVID19 epidemic the Italian economy suffered a deep crisis, but the demand of Italian goods, especially from China, almost didn't stop. According to "Sole 24 ore", "among the other export markets, the leap towards China stands out, with an increase of 35%of exports, (compared to pre-Covid period) […] If in December (2020) this trend will continue, we can expect the purchase of Made in Italy item's trend to increase, a result we couldn't even think of months ago[21]."

20 (ICE, 2017) translated by the author.

21 (Il sole 24 ore , 2020)

At present, the Italian economic situation is still recovering, but it is undoubted that the internationalization towards China of Italian SMEs is going to be a fundamental tool for the development of the Italian industrial sector. Going towards this goal, the Italian government, in addition to the aforementioned organizations, did an excellent job in creating partnerships with Chinese tech companies such as Alibaba Group, in order to increase the connections with the Asian country and guarantee Italian companies that wish to internationalize its markets to China an easier path.

Cap. 1.3 Italian Trade and Investment Agency (ITA) and the Agency for the promotion abroad and internationalization of Italian companies (ICE)'s history and main tasks.

Before starting to describe these two agencies' history and tasks, a further clarification is due: the Italian Trade and Investment Agency (ITA) and the Agency for the promotion abroad and internationalization of Italian companies (ICE) are the same agency. The abbreviation ITA is mostly used outside Italy since it indicates the services that the agency offers for foreign companies that want to invest in Italy, while the abbreviation ICE is normally used in a domestic context to define the services tailored for the domestic companies looking for internationalization. For the purpose of simplifying and avoiding unnecessary confusion, from now on the aforementioned agency will be referred to as ICE.

ICE was founded by Alberto Pirelli and Felice Guarnieri in 1926 under the name of "National Institute for export" [22]with the main aim of what today would be referred to as a tool to support Italian companies' internationalization. At that time, the main tasks of the agency were the organization of fairs, and post fair services such as a collection of contacts, information, and laws on the matter of export[23]. In the years following the end of WWII, a lot of representative foreign offices were open first in Europe and then

22 Istituto Nazionale per l'esportazione (INE), translated by the author.

23 (ICE , 2007) translated by the author.

worldwide, including the Beijing office in 1964 and Moscow office in 1966[24]. Nowadays ICE counts 78 offices divided in points of correspondence, coordination offices and regular offices and also two main offices in Italy, one in Rome and one in Milan[25].

ICE is composed of four main offices namely legal affairs support office, foreign network management support office, strategic planning and management control support office, communication support office for external and institutional relations. Each of these main offices has it is own director[26]. In addition to these four offices, there are other offices that also have strategic tasks like the coordination and production office for Made in Italy and marketing coordination office[27]. From 2019 the president of this agency is Carlo Ferro who is also an advisor of the European Commission by being a member of the IPCEIC, the Strategic Forum for Important Projects of Common European Interests[28].

ICE offers a wide range of services to all kinds of Italian companies that wish to internationalize their business. These services are divided in two sections: services to get acquainted to foreign markets and services to develop the business in the world. The first ones are free of charge and easily accessible on the agency's website, so that companies can get a glimpse of the general economic, social, political situation regarding the country they want to invest in and at the same time can find practical tools and important information about product statistics in the foreign market, international funding available for them, international contests and so on[29]. It is worth noting that, as it is specified in the catalogue of services published in 2020, some of the services in the section services to

24 *Ivi* p. 527 translated by the author.

25 (ICE, 2021) translated by the author.

26 (ICE, 2021) translated by the author.

27 *Ibidem.*

28 (ICE, 2021) translated by the author.

29 (ICE, 2021) translated by the author.

get acquainted to the foreign market used to be available for a fee, but after April 2020 are free of charge[30].

The section of services to develop the business in the world that the agency offers, on the other hand, are not free of charge, companies who needs them can ask for a quotation. These services are more customized and aim to find the best solution for a specific company according to its situation. They include: classified information on foreign and Italian companies such as contact information, business name, liquidity and solvency, organization of fairs, workshops, press conferences and advanced consulting services especially to help companies to invest in a foreign country, to research for local employees to hire and to create a communication strategy on the foreign means of communication[31].

Moreover, some of the aforementioned services, such as research of foreign partners and clients, research of a foreign investor, and use of ICE's structures, starting from April 2020 are free for companies that have maximum 100 employees (SME's) and are the final user of the ICE's service[32]. This shows an important trend, that as Carlo Ferro said "*The new catalogue of services is the best way to help the system to increase the number of exports, which is the main target of the agency. By doing so we want to address one of the structural deficiencies of the Italian SMEs, where normally there is a high level of savoir faire and care of the product, but a strong organizational weakness and lack of tools to grow in the export sector*"[33].

As mentioned above the ICE agency also offers services, mostly informative, to foreign companies that wish to invest in Italy in order to make it easier to find the perfect Italian business partner. In 2018 ICE published two dossiers written in Chinese respectively

30 (ICE, 2020) translated by the author.

31 (ICE, 2021) translated by the author

32 *Ibidem.*

33 (Arsutoria magazine, 2020, p. 1) translated by the author.

"Invest in Italy: the right time and place to create great opportunities" and "Doing business in Italy 2018 guide"[34]. The first dossier gives a broad presentation of the opportunities in Italy, underlining the strengths of Italian economy such as the export potential of Italian companies, the manufacturing potential, infrastructure potential and so on[35]. The second dossier is more technical and aims to help Chinese companies navigate the Italian business environment by giving detailed information on aspects ranging from the Italian accounting system to the rules and regulations about working hours[36].

In conclusion it is safe to say that this agency and its services are very useful for all kinds of companies, let alone SMEs whose resources are limited and cannot afford to fail their internationalization process. At present, 1408 Italian companies are included in the ICE database that directly allows foreign companies to see their information to create a possible partnership[37]. This number does not take into consideration Italian companies who use the ICE's services to export without relying on a partnership, so the real number of Italian companies is higher and in continuous growth.

Cap. 1.4 Institute for Insurance Services of Foreign Trade (SACE) and Italian Society for Mixed Enterprises Abroad (SIMEST) history and tasks.

Unlike the aforementioned two agencies, the Institute for Insurance Services of Foreign Trade (SACE) and the Italian Society for Mixed Enterprises Abroad (SIMEST) are two different entities, even though they work together in order to help the internationalization of Italian companies. In this scenario, it is also worth mentioning the role played by the Cassa Depositi e Prestiti group (CDP), that is deeply connected to the tasks of the two

34 (ICE, 2021)

35 (ICE, 2018) translated by the author.

36 (ICE, 2018) translated by the author.

37 (ICE, 2021)

entities mentioned above. For the purpose of simplifying, the three companies will be referred to as SACE, SIMEST and CDP.

SACE was founded in 1977 as a special section of the "National Institute of Insurance[38]", with the name of Special Section for Export Credit Insurance, and only in 1998 adopted the current name of Institute for Insurance Services of Foreign Trade[39][40]. In 2004 it was converted in a joint stock company, whose totality of shares are controlled by the Ministry of Economy and Finance[41]. Lastly, in 2012, SACE and its subsidiaries, including SIMEST, became part of the Cassa Depositi e Prestiti group who acquired all the shares from the Ministry of Economy and Finance[42].

SIMEST is a public limited company that was founded in 1990 by the Ministry of Foreign Trade, in order to further help promote and develop Italian companies through the internationalization of their activities[43]. Its main shareholders are SACE, who owns the 76% of the totality of shares, and a group of Italian bankers and entrepreneurs[44]. Together with SACE, they represent the internationalization and export hub of the CDP group, named "Polo Export", in order to collect all the resources available for Italian companies who desire to enter the international market and grow, all in one place[45].

---

38 Isituto Nazionale Assicurazioni (INA), translated by the author.

39 Sezione speciale per l'Assicurazione del Credito all'Esportazione (SACE) translated by the author.

40 (Treccani, 2021) translated by the author

41 (SACE, 2021) translated by the author.

42 *Ibidem.*

43 (SIMEST, 2021) translated by the author.

44 *Ibidem.*

45 *Ibidem.*

Cassa Depositi e Prestiti was founded in 1850, by the parliament of the Reign of Sardinia with the main aim of helping the economic and social development of Italy, especially in the immediate years after the unification of the Peninsula[46]. In 2003 it changed its status from public administration to a more private form of a public limited company, whose 70% of shares belongs to the Ministry of Economy and Finance, and the remain 30% is owned by 66 foundations originated by banks[47]. Besides SACE and SIMEST, acquired in 2012, the CDP group participates in other Italian well-known societies like Fincantieri, Treccani, Poste Italiane, Eni and so on[48].

SACE, SIMEST and CDP have a similar governance structure that comprehends a board of directors, in charge of the main decisions, a large number of internal committees and organs and a management team[49][50][51]. The three presidents' names are Rodolfo Errore (SACE)[52], Pasquale Salzano (SIMEST)[53], Giovanni Gorno Tempini (CDP)[54].

Looking more in detail at the various tasks SACE and SIMEST offer to their clients, it is possible to divide them into two different main areas, but of course when it comes to actually help companies and SMEs, the two entities cooperate in order to give the best service and obtain positive results. Regarding the main tasks of CDP, for the purpose of

---

46 (Cassa Depositi Prestiti, 2021)

47 *Ibidem.*

48 (Cassa Depositi Prestiti, 2020)

49 (SACE, 2021) translated by author.

50 (SIMEST, 2021) translated by author.

51 (CDP, 2021) translated by author.

52 (SACE, 2021) translated by author.

53 (SIMEST, 2021)translated by author.

54 (CDP, 2021) translated by author.

this paper, it is sufficient to say that it mainly works as a bank, supporting the development of the Italian economy through the societies that belong to its group.

SACE's main business area is the insurance field, with a special focus on the export and all the issues that might arise when operating in a foreign country. On a general level the main services offered are credit insurance, financing and investments, construction protection, advisory clients and markets[55]. Since the Italian economic industry is mostly made of SMEs, among the aforementioned services, there are some that are designed by taking into consideration their necessities and weaknesses.

An example of this is the "Export UP digital insurance", a pay insurance that can help exporting companies, especially SMEs, to grant to their clients deferred payments, neutralizing the credit risk[56]. This tool can be very important for SMEs, since they have limited resources in terms of cash and need an efficient management of their Working Capital in order to survive and prosper. By neutralizing the credit risk, this kind of enterprises can partially avoid and or contain the liquidity risk, which happens when an institution is not able to buy or sell its own assets or securities without suffering a loss, and therefore is not able to convert them into cash and meet its short-term financial obligations.

Another example is the "Education to Export program" created for those SMEs that need an active support when it comes to internationalization because of the obstacles they might encounter. The advantage of this program is that it is completely free of charge, and it is delivered through different courses, divided according to the level of expertise and also offers meetings calibrated to assess the needs of the SMEs[57].

As mentioned before SACE is part of the CDP group but is also a shareholder of SIMEST, but it is necessary to mention that SIMEST is not the only entity participated by SACE.

---

55 (SACE, 2021) translated by author.

56 (SACE, 2021) translated by author.

57 (SACE, 2021) translated by author.

As a matter of facts SACE is composed of different societies and each of them has its own governance scheme, and it is in charge of specific tasks in the insurance field. SACE BT is specialized in short term credit insurance, sureties and construction risk protection and owns the 100% of shares of SACE SRV, a society specialized in commercial information and credit recovery services[58]. SACE Fct, another SACE's controlled society, it's a factoring society whose main aim is to support liquidity and strengthen the cash flow management of Italian companies[59].

SIMEST's main business area is way broader than SACE's, since it assists the companies throughout the whole internationalization process, helping them obtain the support they need. Normally, SIMEST operates as follows: it conducts a feasibility study on the potential market then creates plans in order to insert the company in the foreign market desired and at the same time encourages the participation in fairs (specially for SMEs)[60]. Once the brand is known it then offers export credit, capitalization of the exporting SMEs and technical assistance programs, in order to increase the commercial presence of the company's brand[61]. Lastly, there is the equity part of the process: because of its nature of public limited company, SIMEST can directly participate in the capital of EU and non-EU companies following these criteria: if the company is an extra EU company, SIMEST's participation to the capital of the company can arrive up to 49% and cannot in any case exceed the one of the Italian company in the partnership, if the company has its statutory seat in EU, SIMEST participation can be up to 49% of the capital of the Italian company or of the one based within the EU[62]. Moreover, for companies who wish to invest in strategic areas, there is the possibility to obtain further monetary assistance by the participation of the "Venture Capital Fund" in the companies' capital, even though, if

---

58 (SACE, 2021) translated by author.

59 (SACE, 2021) translated by author.

60 (Confimprese, 2016) translated by author.

61 *Ibidem.*

62 *Ibidem.*

summed to SIMEST participation, it cannot exceed the 49% of the foreign company shares and the quotas of the Italian company[63].

Since it follows companies from the beginning to the obtaining of the level of internationalization desired, and it is participated in large part by SACE, SIMEST is involved as well in the aforementioned "Education to export program"[64]. However, the cooperation with SACE doesn't end there, as mentioned before these two entities are part of the "Polo Export" of the CDP. The services that it comprehends are the same as the services offered by the two entities, but this hub works as the starting point for any enterprise who wishes to export and become international. It is worth mentioning that in order to further simplifying the process of accessing these services, the Italian Ministry of Foreign Affairs and International Cooperation created a new website portal where the efforts of ICE, SACE, SIMEST are jointed together[65]. Here the export process is divided into 7 steps: getting ready to export, identify the target countries, plan the entry into the market, promote and digitalize the business, negotiate the commercial contract, manage the liquidity risk, keep growing[66]. Every step comprehends a list of services and tools available to the companies that are offered by ICE, SACE or SIMEST according to the nature of the service itself.

In conclusion, it is safe to say that the path to internationalization for Italian companies, SMEs included, is getting more and more accessible since there are plenty of tools and solutions promoted directly by the Italian government. Of course, some of the factors that make export and internationalization challenging, are still present and keep defying Italian companies such as cultural differences, liveliness and peculiarity of the foreign markets and so on. However, in some cases, like the internationalization path towards

---

63 *Ivi p. 7*

64 (SIMEST, 2021)

65 (Ministero degli Affari Esteri della Cooperazione Internazionale, 2021)

66 *Ibidem.*

China, besides the afore mentioned governmental agencies that offer help, is also possible to adopt a different strategy and resort to platforms such as Alibaba.com as it will be analyzed in the following chapter.

Cap. 2: Alibaba and its relevance for Italian SMEs' internationalization process. towards China

Cap. 2.1: Alibaba group history and features.

Nowadays, when looking at China as a market of destination for a product, from the point of view of any size of enterprises, it is almost impossible not to mention the website owned by Alibaba group, Alibaba.com, many times wrongly called the "Chinese Amazon". In order to better understand some of the key features of this world-wide famous website, that might further help the internationalization of the Italian enterprises (in particular the SMEs), it is important to take a close look at its history.

Alibaba group (阿里巴巴集团 Ālǐ bābā jítuán) was founded in 1999 by the nowadays famous Jack Ma (马云 Mǎyún) and other 18 founders in his apartment in Hangzhou, China. The group first activity was launching Alibaba International Station (阿里巴巴国际站 ālǐ bābā guójì zhàn)whose main feature was being an English language international wholesale trade market, and Alibaba China Exchanging market for domestic wholesale trade (阿里巴巴中国交易市场 Ālǐ bābā zhōngguó jiāoyì shìchǎng), now called 1688.com [67].

From 1999 on, the group was protagonist of a skyrocketing growth passing through a set of important milestones like the launch of Taobao marketplace (淘宝网 Táobǎo wǎng) in May 2003, and the creation and successful promotion of the Alipay digital payment (支付宝 Zhīfùbǎo) system in December 2004[68]. Among the various milestones, it is worth mentioning the founding in April 2008 of Taobao Mall, today known as Tmall (天猫 Tiānmāo), in order to further implement Taobao services: Tmall was so successful that only 3 years later in 2011, it became an independent platform (still under the ownership

67 (Alibaba Group, 2021) translated by the author.

68 *Ibidem.*

of Alibaba group)[69]. Getting closer to the present day, there are other important goals that the group achieved. Among them there was the quotation of the company on the New York Stock Exchange in 2014, an event who made history since the company offered the then largest Initial Public Offer (IPO), surpassing the IPO offered by the Agricultural Bank of China on its debut in the Hong Kong Stock Exchange[70]. Going public on the NYSE is a milestone for almost every company given the history and legacy of the New York Stock Exchange, let alone the striving for international recognition Alibaba. The importance of this event and its consequences for the group were underlined by Jack Ma, who on that day commented "*What we raised today is not money, it's the trust. It's the responsibilities that we have*."[71]

When analyzing Alibaba's group history, it is impossible not to mention the successful rebranding in 2014 of the mentioned above digital payment system Alipay, that became an independent entity from Alibaba in 2011 but is still under the control of Jack Ma[72].The digital payment system is now a brand part of the Ant Group (蚂蚁集团 Mǎyǐ jítuán) also founded in 2014 by Jack Ma and affiliated with Alibaba Group, that comprehends six different entities active in the finance field that aim to offer a variety of financial services for different consumers, namely Alipay, Yu'e Bao (余额宝 Yú'é bǎo), Huabei (花呗 Huā bei), Xiang Hu Bao (相互抱 Xiānghù bào), MY bank (网商银行 Wǎng shāng yínháng), Zhima Credit (芝麻信用 Zhīma xìnyòng)[73]. This group became widely known lately because of the unexpected postponing of its listing on the Shanghai Stock Exchange and Hong Kong Stock Exchange, due to a sudden change in listing regulation announced by

69 *Ibidem.*

70 (Forbes, 2014)

71 (NYSE, 2014, p. 1)

72 (Reuters, 2014)

73 (Ant Group, 2021)

the two stock exchanges, just 48 hours before the actual listing[74]. Of course, the goals and milestones of Alibaba are more than the ones described above, since the group participates in a large number of successful societies as shareholder or affiliate, like in the case of Ant Group.

Alibaba's group main businesses cover different aspects of daily life, from eating to entertaining, from working to shopping. Except the aforementioned Alibaba.com, "the leading wholesale marketplace for global trade"[75], whose services can be very important for the internationalization process of Italian SMEs towards China, there are other interesting businesses and services. Generally, these businesses of the group can be divided in two categories: the marketplaces and ecosystem, according to the kind of services offered.

Image 1: Alibaba's group services

Source: Alibaba.com

In the first category there are Taobao a B2C marketplace for small businesses and individuals, Tmall a more international B2C marketplace where international brands can

74 (Il Post, 2020) translated by the author.

75 (Alibaba Group, 2021) translated by the author.

open their virtual shops, Freshippo(盒马 Hé mǎ) Alibaba's own grocery retail, AliExpress a global marketplace for consumers to buy directly from Chinese manufacturers and distributors, Lazada a fast-growing e-commerce platform in the South-East Asia, Alibaba.com and 1688. Each of these platforms offers a unique service with its own perks but ultimately aimed at selling[76]. In the second category there are services that compose the ecosystem such as Ele.me (饿了么 Èle me) an on-demand food delivery service, Youku (优酷 Yōukù) a well-known Chinese online video platform, Dingtalk (钉钉 Dīngdīng) a digital collaboration platform mostly also used in schools, Alimama a platform that matches the marketing necessities of merchants and the media resources offered by Alibaba, Alibaba Cloud that sells cloud services to consumers worldwide and lastly Cainiao (菜鸟 Càiniǎo) that offers logistic services for shops both internationally and nationally[77]. In light of all written above, from the point of view of any size of enterprise wishing to internationalize towards China, it is important that they acquire some knowledge about the whole Alibaba group ecosystem, not only the platform Alibaba.com, since all the platforms and services above have the ability to influence every aspect of the Chinese consumers' life.

In order to better understand why Alibaba.com can be a useful tool for the internationalization of Italian SMEs, specially towards China, it is fundamental to underline the weight and importance that Alibaba Group carries in its own country from a statistical and financial point of view. According to a Statista report published in April 2021, the consolidated revenue of Alibaba Group from the financial year 2010 to 2020, is not only in continuous growth but in 2020 (taking into consideration the fiscal year ending in March 2020), a very difficult year because of the Covid19 pandemic, it reached consolidated revenues of nearly RMB509.7 billion[78].

---

76 *Ibidem.*

77 *Ibidem.*

78 (Statista, 2021)

Moreover, looking at the December 2020 quarterly results of the group, as in Table 2, it shows that the Operating Cash Flow was RMB103.208 million, which means a 7% increase compared to the RMB96.505 million obtained in the same quarter of 2019, that leads to an efficient management of the group's activity, from a financial point of view [79]. Another important signal of growth, showed in the same quarterly results, is the increase of the Free Cash Flow from RMB78.279million (US$14.745 million), to RMB 96.210 million, which underlines once again that the company is in a financially good shape, and is going to be able to invest more money than the previous year in other businesses[80]. By using the words of Wu Wei, Chief Financial Officer (CFO) of Alibaba group: *"We kept maintaining a steady growth in this quarter, with revenues increasing up 37% from the previous year, and an adjusted EBITDA that increased 22% from 2019. Strong Free Cash Flow allows us to further invest in strategic areas"*[81].

	Three months ended December 31			Nine months ended December 31		
	2019	2020		2019	2020	
	RMB MM	RMB MM	% YoY	RMB MM	RMB MM	% YoY
Operating Cash Flow (1)	**96,505**	**103,208**	**7%**	**178,443**	**207,603**	**16%**
Less: Purchase of property (excluding land use rights and construction in progress)	(5,749)	(4,869)	(15)%	(20,781)	(30,117)	45%
Less: Acquisition of licensed copyrights(1) and intangible assets	(5,274)	(15)	(100)%	(10,120)	(1,733)	(83)%
Less: Changes in the consumer protection fund deposits	(7,203)	(2,114)	(71)%	(12,414)	(2,433)	(80)%
Free Cash Flow	**78,279**	**96,210**	**23%**	**135,128**	**173,320**	**28%**

Table 3: Free Cash Flow & Capital Expenditures

Source: Alibaba Group 2020 quarterly results

79 (Alibaba Group, 2021)

80 *Ibidem.*

81 (Alibaba Group, 2021, p. 1)

The success of the whole Alibaba group ecosystem is also partially due to two factors that are deeply tied to China itself: the Great Firewall and the digitalization process. The first factor, the Great Firewall (防火长城 Fánghuǒ Chángchéng), influences every aspect of Chinese people's daily life since it is basically "a system that prevents access to websites deemed undesirable by the government of the People's Republic of China"[82]. This system was defined by Deng Xiaoping as a way to block the "flies" from coming in since as he said at the beginning of the 80's: "*If you open the window for fresh air, you have to expect some flies to blow in*[83]*,*" a metaphor to describe China's opening to the world. The creation of this sort of incoming barrier ended up helping the creation of Chinese's hi-tech giants, as Giada Messetti, a famous Italian sinologist and author wrote: "*The most important enterprises in this field (technology) are Baidu (百度 Bǎidù) Alibaba and Tencent(腾讯 Téngxùn), also known as BAT, since they were helped by the block imposed by the Chinese Communist Party on foreign hi-tech enterprises and at the same time were facilitated in getting listed on foreign markets and in the access to foreign capitals to expand their home market"*[84]. Considering that the Great Firewall helped the BAT to grow, is also true that it can be a barrier for foreign enterprises, let alone SMEs who have less means for internationalization, making Alibaba.com a more and more interesting tool to enter the Chinese market.

The second factor is the digitalization process that is reshaping China at a fast pace, involving almost every part of people's life. With almost 98,6% of people being able to access the Internet, China is the largest Internet market in the world[85], and this high percentage is mostly due to the huge infrastructure system that the Chinese government provides, making it possible to actually be connected to the Internet. In 2020, China's Internet of things (IOT) industry, defined by the Cambridge dictionary as "objects with

82 (Collins, 2021)

83 (Torfox Stanford, 2011, p. 1)

84 (Messetti, 2020) translated by the author

85 (CIA, 2021)

computing devices in them that are able to connect to each other and exchange data using the internet."[86], exceeded 1.7 trillion RMB in value[87]. Of course, all the data above would be useless if not accompanied by a series of services and benefits that can ultimately encourage Chinese consumers to be connected, promoting innovation and pushing the technology sector to improve. In this scenario the role played by Alibaba Group's businesses described above is more than fundamental since they cover every aspect of life, and this is what makes the understanding of them essential for any kind of enterprise wishing to internationalize to China.

Cap. 2.2: Alibaba.com relevance and features.

In light of all the above, it is easy to understand the relevance that the Alibaba Group has in China, and as a consequence the huge role that Alibaba.com can play in helping SMEs internationalization process, specially towards China, since otherwise it is very difficult for them to enter the Chinese market. Hence, for the purpose of this paper a further analysis of Alibaba.com main services and features is due, taking into consideration the point of view of an Italian SME.

Alibaba.com is defined by Alibaba Group as "China's leading integrated international online wholesale marketplace in 2019 by revenue."[88], and as of today it still is the biggest B2B e-commerce marketplace in the world, with a market cap of over 400 billion dollars covering 80% of online sales in China[89]. With its motto stating "Anytime, anywhere" Alibaba.com makes it possible for buyers to get more than 40 categories of products in more than 190 countries, working as a marketplace platform[90]. Looking at the domestic

86 (Cambridge dictionary, 2021)

87 (China Academy of Information and Technology, 2020) translated by the author.

88 (Alibaba Group, 2021) translated by the author.

89 (e-commerce Germany, 2021)

90 (Alibaba.com, 2021)

Chinese wholesale market, its only competitor JD.com (京东 Jīng dōng) has a limited B2B channel selling mostly industrial products[91], and does not seem to pose a threat to Alibaba's leading position.

As written in the aforementioned Alibaba Group December quarterly report, Alibaba.com and 1688.com (the domestic wholesaler) contributed to the growth of the Alibaba group businesses, since the two wholesale marketplaces and the other core businesses (retail businesses, logistics and so on) generated an increase YoY of 38%, consisting in RMB195.541, which is also 89% of the total revenue[92]. Moreover, when looking at the total revenue breakdown of the last quarter (3 months ended in December), the international commerce wholesale shows an increase of 53% YoY, that accounts for RMB3.762 the 2% of the total core businesses[93], which is a fairly good performance considering how the Covid19 epidemic's significantly hit the economy worldwide, making it difficult to trade internationally and in some sectors significantly lowering the trade volume. As shown in Table 4, in 2019 in the same quarter analyzed above, international wholesale commerce was accounting for the 1% of the revenue of the core commerce, RMB2.457, showing a YoY growth of 13%[94].

---

91 (The Passage, 2018)

92 (Alibaba Group, 2021, p. 9)

93 *Ibidem.*

94 (Alibaba Group, 2020, p. 5)

Total Revenue Breakdown	Three months ended December 31, 2019		
	RMB MM	% of Revenue	YoY %
Core commerce:			
China commerce retail			
- Customer management	61,235	38%	23%
- Commission	23,409	14%	16%
- Others*	25,814	16%	128%
	110,458	68%	36%
China commerce wholesale	3,365	2%	25%
International commerce retail	7,396	5%	27%
International commerce wholesale	2,457	1%	13%
Cainiao logistics services	7,518	5%	67%
Local consumer services	7,584	5%	47%
Others	2,697	2%	88%
Total core commerce	**141,475**	**88%**	**38%**
Cloud computing	10,721	7%	62%
Digital media and entertainment	7,396	5%	14%
Innovation initiatives and others	1,864	0%	40%
Total	**161,456**	**100%**	**38%**

Total Revenue Breakdown	Three months ended December 31, 2020		
	RMB MM	% of Total	% YoY
China commerce retail	153,679	69%	39%
- Customer Management (1)	101,919	46%	20%
- Others (2)	51,760	23%	101%
China commerce wholesale	3,831	2%	14%
International commerce retail	10,158	5%	37%
International commerce wholesale	3,762	2%	53%
Cainiao logistic services	11,360	5%	51%
Local consumer services	8,348	4%	10%
Others	4,403	2%	63%
Total Core Commerce	**195,541**	**89%**	**38%**
Cloud Computing	16,115	7%	50%
Digital Media and Entertainment (3)	8,079	4%	1%
Innovation Initiatives and Others (3)	1,349	0%	9%
Total Revenue	**221,084**	**100%**	**37%**
Total Revenue (excl. Sun Art)	*205,658*		*27%*

Table 4: Alibaba Group Total revenue breakdown 2019.

Source: Alibaba Group[95].

Table 5: Alibaba Group Total revenue breakdown 2020.

Source: Alibaba Group.

The figures above help understand why, from a financial point of view, joining Alibaba.com marketplace can be a profitable investment for any kind of company since the whole group shows a positive trend and continuous growth year after year. But of course, behind the choice of whether or not to join a marketplace or partner with a foreign entity in order to internationalize a company's business, there is more than just the financial aspect because the risks that might come from it are more than just financial risks.

In order to understand why a lot of companies have already chosen Alibaba.com as their main platform to sell worldwide, and also in China, it is fundamental to take a look at the services provided. However, before analyzing them, it is important to understand Alibaba's business model since by doing so it is possible to have a clearer vision of the

95 The Tables 4 and 5 was modified by the author with the purpose of focusing the attention on risk assessment

advantages or disadvantages of the marketplace, and consequently take better any further decision in that matter.

Nowadays, Alibaba.com is widely known in western countries, as "The Chinese Amazon" but this definition, often also found in national newspapers, is wrong. If it is true that Amazon is the leader e-commerce platform in the West market, which implies that it has the same role as Alibaba.com in the East, it is also true that the two e-commerce platforms have different business models and different characteristics in order to better serve its large number of consumers. The first characteristic of Alibaba.com's business model is that it focuses more on the B2B area, since in the Group there are already two platforms covering the B2C field, Tmall and Taobao focusing more on the retailing sphere, involving also international brands.

The second fundamental characteristic of the business model is how Alibaba.com manages its businesses since it does not have an inventory of its own. The company operates as a virtual mall, providing wholesalers and retailers with a platform to connect with their potential clients[96], therefore it is safe to say that Alibaba.com does not directly enter the competitive market, it just facilitates the buying process connecting buyers and sellers. This is an important factor because it affects directly the financial management of the company: by not having a warehouse or inventory, Alibaba's operating margins and profit margins are higher than companies who have large inventories to manage like Amazon[97].

The third characteristic of Alibaba.com business model lies in its usage of the consumer data it retrieves from its websites and apps belonging to its ecosystem, a fundamental tool for the prosperity of any kind of business activity, let alone for an e-commerce of the size of Alibaba.com. By being present in almost every aspect of life, the Alibaba Group is able to offer a seamless experience to the consumers and at the same time offers a complete set of data to the merchants: it collects the shopping habits of consumers when visiting

96 (虎嗅 HuXiu, 2017) translated by the author.

97 (Macrotrends, 2020)

its various websites and collects them under a unified ID[98]. By doing so merchants, wholesalers on every platform owned by Alibaba Group, including Alibaba.com can improve their Return On Investment (ROI) and conversion rate[99], by for example promoting a certain product when the people belonging to the marketing segment more profitable for the seller are surely online and so on. This system is called “UNI marketing” and as Alibaba’s Chief Marketing Officer Chris Tung*: “By combining its massive data assets, businesses can identify, segment and build tailored content for the best results”*[100], and this is a great opportunity for any kinds of merchant wishing to gain a share of Chinese market.

As underlined in the paragraph above, it is undoubtable that the large pool of data retrieved for merchants and companies who join Alibaba.com can be an efficient tool also for foreign SMEs wishing to internationalize their business, but it is not the only service that the company offers to them since the internationalization process is much complex.

Like the services provided by SACE, SIMEST and ICE, the first tool offered by Alibaba.com aims to help the companies to understand if the internationalization of their business towards a country and consequently a market, can be a feasible option in terms of hypothetical market response to the product itself. In the specific case of the Chinese marketplace, in the website there is a search box where the seller can input the category of the product the company wishes to sell and get some information about the category itself, like the size of the actual market, the top buying countries and also the saturation level of the market for that category[101]. Taking into consideration that Alibaba.com has 13.792.223 active buyers worldwide and gets 318.680 product inquiries daily and it is

98 (Fintech ranking, 2017)

99 *Ibidem.*

100 (Alizila, 2017, p. 1)

101 (Alibaba.com, 2021)

represented in more than 190 countries[102], getting a preliminary understanding can be a deal breaker when it comes to carry out a risk and benefits analysis of joining the website.

Once the option of selling on the website is deemed feasible and the seller decides to join the marketplaces Alibaba offers a "90 days on-boarding program": a period of time where the seller will receive the help of Alibaba.com team in every aspect it may be needed like the setting up of the storefront, posting attractive pictures of the product, improving the response to inquiries and so on[103]. The main concept is that after these 90 days period of time the e-shop created on the platform becomes a reflection of the real-life brand, including every aspect of that company's business, giving potential clients a complete description of the company, they are about to buy from. This high level of customization is carried out through product showcases, keyword advertising, request for quotation (RFQ), sitewide promotions, and backed up by deep analytics tools that give practical information on which strategy is better to adopt and which product is performing better[104].

In addition to the services provided above, the platform also has various tools that can help businesses to keep in touch with potential customers in order to increase loyalty and encourage repeating sales. Considering that on Alibaba.com it is possible to find wholesalers and merchants from all over the world, the platform comes with a built-in translator so that it is possible to carry out a seamless conversation no matter the language spoken by the customer[105].

Moreover, from the point of view of a SMEs there are other features that can be very useful, like the possibility to set Minimum Quantity Orders (MOQ) and most importantly the zero commission (in most countries) taken by Alibaba.com on the sales, which allows the companies to keep the totality of revenues, unlike most of the same kind of

---

102 *Ibidem.*

103 (Alibaba.com, 2021)

104 (Alibaba.com, 2021)

105 *Ibidem.*

marketplaces[106]. For example, Amazon's referral fee can vary from 8% to 15% per product, according to the different product categories, not including other possible fees such as inventory fee or high-volume listing fee[107], and of course this can be a heavy discriminating factor if not offset by other benefits.

The aforementioned services are all part of a service package that can be purchased by the seller according to its needs, which is also Alibaba.com source of profit. On the website there are two kinds of packages, basic and premium, and the fee of both of them is collected in 2 different payments, one to Alibaba.com and another to a certified service partner, respectively $2,399 /year for the basic account and $4,199/year for the premium account. [108]. The main difference between the two basically lies in the price and in the quality of the service, since in terms of quantity the two of them offer the same number of services, so that even by choosing the basic package a company can still be able to carry out a successful business. For examples, in the premium account the Keyword Ad Spend, which is the money present in the keyword advertising account used to make the product appear in customers searches, is higher than the one of the basic accounts, or when considering customer service in the basic account it is only carried out by e-mail while in the premium package a dedicated account manager is designed by the platform[109].

However, in order to make the marketplace trustworthy and safer, Alibaba.com elaborated a system that makes it easier for buyers to choose between the sellers by dividing them in 3 categories, that also appear in the search filter in the website: Gold Suppliers, Verified Suppliers and Trade Assurance suppliers[110].

---

106 (Alibaba.com, 2021)

107 (Amazon, 2021)

108 (Alibaba.com, 2021)

109 *Ibidem.*

110 (Alibaba.com, 2021)

While Trade Assurance suppliers are suppliers that accept payments using Alibaba.com's payment portal obtaining Alibaba.com protection[111], the difference between Gold Supplier and Verified Supplier is more complex. The Gold supplier is a Supplier who by paying an extra membership fee gets the possibility to show the Gold Supplier badge in its homepage, which means that its business is reliable under various point of view, passed through an Authentication and Verification check (AV Check) carried out by a third-party entity[112]. The Verified Supplier, on the other hand are suppliers whose business has been assessed by third party institutions in their totality, including management system, production capabilities, and process controls[113]. The Verified and Gold Supplier badge cannot co-exist except in China where all the suppliers need to have the Gold Supplier badge, while for example, it is possible for a supplier to be a Trade Assurance Supplier and at the same time being a Verified Supplier or Gold Supplier.

Image 2: Suppliers identifiers on Alibaba.com

Source: Alibaba.com

111 *Ibidem.*

112 (Alibaba.com, 2021)

113 (Alibaba.com, 2021)

In conclusion, after analyzing the Alibaba Group as well as its marketplace Alibaba.com from the point of view of a SMEs, taking into consideration all the relevant aspects such as finance, economic performance and last but not least popularity in China, it is safe to say that in theory the B2B platform can be a viable tool to help Italian SMEs to internationalize its business, specially towards China. Moreover, as it will be explained in the following chapters, lately Alibaba Group's interest towards Italian companies has increased greatly and consequently led to some initiatives that directly involve and favour the Italian SMEs, the essential component of the Made in Italy.

Cap. 2.3 Alibaba Group and ICE cooperation for the internationalization of the Italian SMEs through Alibaba.com.

As described above Italian SMEs are the backbone of the Made in Italy, one of the main engines of Italian economy, so in the last years the Italian government through various partnerships put a lot of efforts and resources in finding effective ways to support them during their internationalization process. When it comes to internationalization towards China, ICE and the Italian government, except the services provided by SACE, SIMEST and ICE itself, were also able to create some important partnership with Alibaba Group with the main aim of making the Chinese market as easy to enter and as profitable as possible for Italian enterprises, which also includes SMEs.

The two main partnerships between the two aforementioned entities were "HelloITA" and "Made in Italy pavilion", the first one for the promotion of Made in Italy enterprises in the Chinese market for the B2C sector and the second one for the B2B sector. Even though the purpose of this paper is to analyze Alibaba.com as a tool for the internationalization of Made in Italy SMEs towards China, for a better understanding of the partnership, it is also worth taking a closer look to the B2C initiative since it works as the basis for the following partnerships.

"HelloITA" was the first country-project with Alibaba Group, bundling 80 Italian companies (some of them were already present on the Chinese platform), of which more than the 50% were SMEs, in a virtual hub on the Alibaba Group owned B2C platform Tmall and Tmall Global[114].

Image 3: "HelloITA" homepage on Tmall.
Source: HelloIta.

Basically, it is a virtual showroom where the Chinese consumers can directly find the products of the Made in Italy enterprises who joined the platform, that are accurately promoted through dedicated content in order to increase the word of mouth between Chinese millennials, that are the marketing segment more prone to digital purchases and online shopping[115]. Furthermore, the initiative also includes the use of the aforementioned Alibaba's UNI marketing system so that the Made in Italy can get a higher visibility when

114 (ICE, 2018) translated by the author.

115 *Ibidem.*

it comes to Chinese consumers browsing through the platform[116] and also the use of the *cross-border* export canal, which allows Italian enterprises to manage the logistics process from Italy, a better solution than being directly present in China in terms of labeling, authorizations and other regulations [117]. Until now, the partnership has been very successful and was renewed for the second edition in 2021. In 2019 the "HelloITA" virtual hub was rated by Tmall among the best Brand Hubs in 2019 gaining 146.000 followers, collecting 100+ e-stores, and 16.5 millions of web pages visited by consumers[118].

The "HelloITA" project is not only the predecessor of the "Made in Italy pavilion" initiative, is also part of a larger number of initiatives that involve ICE and other marketplaces in 15 countries with the main aim of speeding up the Italian companies' access to digital marketing resources [119], nowadays a fundamental tool for those companies who wish to be international and sell worldwide.

After witnessing the success of "HelloITA" partnership for the B2C, considering that Italy's B2B online export is worth €132 billion, representing the 28% of the whole Italian export[120], on the 23 November 2020 ICE and Alibaba Group signed a Memorandum of Understanding (MoU), that officialized the partnership between the two entities above for the creation of the "Made in Italy pavilion" in the B2B platform Alibaba.com. The event was held entirely online, the signing took place in presence of the Ministry of Foreign Affairs and International Cooperation Luigi Di Maio, Manlio Di Stefano Undersecretary of State at the Foreign Affairs and International Cooperation, Carlo Ferro president of

---

116 *Ibidem.*

117 (ICE, 2021)

118 *Ivi p.2*

119 (ICE, 2020) translated by the author.

120 (Alibaba.com , 2020, p. 2) translated by the author.

ICE, Alibaba Group's General Manager for Southern Europe Rodrigo Cipriani Foresio [121] and some of the enterprises that were interested in the project.

The main goal of this partnership, like the one set for "HelloITA", is to promote the Made in Italy in the Chinese market by involving and including the Italian SMEs, that represent the excellency of the Made in Italy industrial sector, being present and offering high end products and services in different fields, from clothing to food and beverage to machinery to beauty. Moreover, as Rodrigo Cipriani Foresio, representing Alibaba Group, said during the launch ceremony of the platform: *"The renewal of our cooperation with ICE arrives during an extremely delicate phase for the Italian economy[122], that made essential for companies to rethink in a more digital way their strategy and operations. Together with ICE, Alibaba Group underlines its efforts to support Italian enterprises and entrepreneurs with solutions and tools that can reinforce their path of expansion in the global markets, bringing the excellency and uniqueness of our country around the world thanks to the online commerce"[123]*.

In China the partnership between Alibaba Group and ICE was defined by the newspapers the Italian version of the Chinese "Spring Thunder plan" (春雷计划 Chūnléi jìhuà) which is a special plan promoted by Alibaba Group in 2020 to help Chinese SMEs to overcome the difficulties that the digitalization process brought up[124]. This plan comprehends a series of measures that aim to create new demand, new supply, new trade opportunities for the Chinese SMEs[125].

---

121 (ICE, 2020) translated by the author.

122 The author of the speech refers himself to the Covid19 derived economic crisis.

123 *Ibidem p.1.*

124 (Xinhua net , 2020) translated by the author.

125 *Ibidem.*

In light of the analysis of the Alibaba.com figures and features described in chapter 2.2, and the weight B2B export carries in the Italian economy, and all of the above, it is easy to figure out why ICE choose to sign a MoU with the platform, but in order to understand the potential and impact that this initiative can have on SMEs, it is necessary to take a close look at the criteria for the participation and at the services offered.

Since this is the first time an initiative of this kind is promoted, at the moment the access to the services is guaranteed only to 300 SMEs who belong to one of the three different product groups allowed: agri-food and wine, apparel and design and industrial technology[126]. Moreover, these enterprises need to fulfill other requirements such as being the direct producer of the products in the above mentioned categories, having the statutory seat in Italy and brands that carry the Italianiness, having the possibility to provide an English speaking resource that will be in charge of managing the project, being able to upload at least 15 product pages, already having a website with an e-commerce, being in possession of the intellectual property rights of the enterprise own brand, and an export revenue on the current fiscal year[127].

Once a SME is in possession of the above-mentioned requirements and falls in the 300 spots to be part of the initiative, it will be offered a wide range of services that aim on one side to ease the creation of the shop on Alibaba.com on the other side to increase the revenues of the SME. The main services provided are: highly customizable unlimited showcase on Made in Italy pavilion where the seller can show its products with a complete description and technical information, linguistic mediation using the Alibaba.com automatic translator, dedicated customer care with an assigned by Alibaba.com account manager, and a personalized marketing campaign to be summed to the general marketing campaign Alibaba.com will be doing about the "Made in Italy pavilion"[128]. In addition, and within the scope of this partnership, Alibaba.com offers other measures to support

---

126 (ICE, 2020) translated by the author.

127 *Ibidem.*

128 (ICE, 2020, p. 11) translated by the author.

the Made in Italy which include an additional 20% of the budget settled for its general Made in Italy campaign to be allocated for SMEs, smart marketing tools (using AI technology), insights and analytics on the performances of the company and some webinars in order to help the resource in charge to better manage the e-shop[129]. Moreover, all the enterprises participating in the initiative will receive the Global Gold Supplier advantages without having to pay the membership fee that will be entirely covered by ICE for 24 months[130]. Besides the advantages described in Chapter 2.2, the Global Gold Supplier membership also allows the members to retrieve from the platform the contact information of buyers, to actively send quotations without having to be passively waiting to be contacted by the buyers, and lastly to access and being able to respond to the needs of "Quality Buyers" category (a special category of buyers that usually use RFQ channel for buying on the platform and received this positive badge according to their buying behavior)[131].

Taking into consideration the point of view of an Italian SMEs wishing to join the initiative and appear in the Made in Italy pavilion on Alibaba.com, the services above can be really helpful since they cover almost every aspect of the setting up and management of an e-shop on the marketplace platform. The only kind of services not provided are logistics, certifications and registration of products and costs derived from the commercial agreements because all of this are not included in the project and are to be directly discussed with the buyer or responsibility of the Italian company in the case of certifications and registrations[132].

---

129 (Alibaba Group, 2020, p. 10) translated by the author.

130 *cit.* (ICE, 2020)

131 (Alibaba.com, p. 4) translated by the author.

132 *Cit.* (ICE, 2020, p. 12) translated by the author.

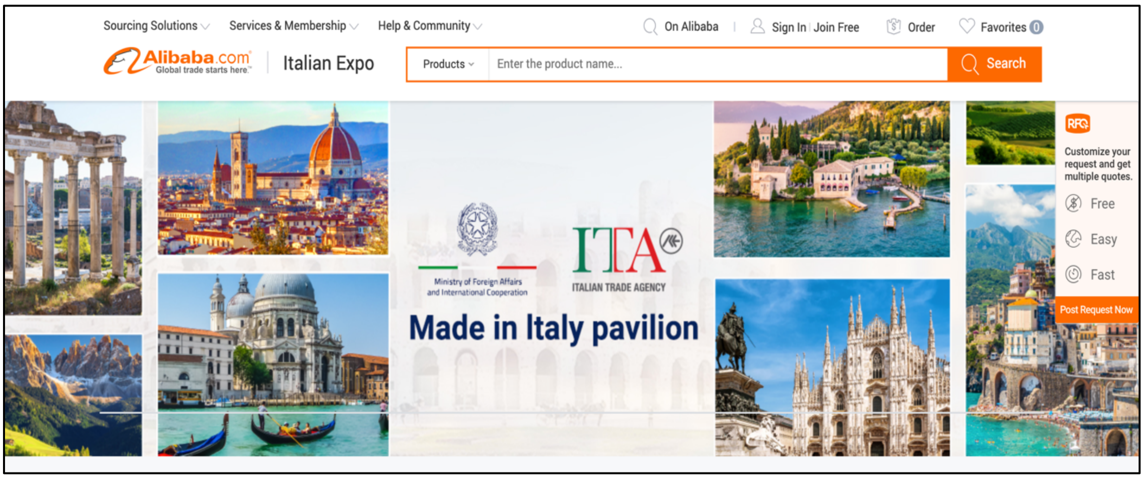

Image 4: "Made in Italy pavilion" homepage on Alibaba.com

Source: Author.

Lastly, there is one factor to take into consideration in order to give a complete picture of this initiative and its relevance for Italian SMEs: the Covid19 epidemic and how it shaped the commerce worldwide as Luca Curtarelli, Alibaba Group manager for Italy said: *"The Covid epidemic made the buyers behavior change in favor of the digital, and there is no way back"*[133]. In this climate of sanitary and economic crisis the B2B sector suffered way more than the B2C because if there are no fairs to be held consequently there are less business occasions[134].

In conclusion, it is safe to say that an agreement like this, sponsored by big entities like Alibaba Group and ICE, can not only be a solution to help SMEs in this difficult time but also in a future of economic stability can still be a viable alternative to traditional commerce specially for the internationalization of SMEs in markets like China. However, as it will be explained in the following Chapter 3, the amounts of services offered by Alibaba.com, and the advantages of the "Made in Italy pavilion" are positive factors to take into consideration when deciding the internationalization path of an enterprise but

133 (Industria Italiana, 2020, p. 1) translated by the author.

134 *Ibidem.*

they become ineffective if they do not offset the business risk or at least a part of it that the company might face.

Cap. 3 The risks of the internationalization process and the relevance of Alibaba.com in offsetting them.

Cap. 3.1 The definition of risk, its main types and their relevance for SMEs

As underlined above no matter the advantages that Alibaba.com as a platform can offer, the internationalization process itself, in this case towards China, is still full of risks from the point of view of any company. The business literature is full of cases of enterprises who failed their first attempt to enter the Chinese market, because of some mistakes that were made during the internationalization decision-making process. But then, in some situations thanks to the size of the enterprise and mostly thanks to the assets and resources they could afford to re-invest in internationalization, correcting the mistakes made, some enterprises were able to finally win the favor of Chinese consumers. Unfortunately, this kind of learning through experience process for internationalization is not always possible for SMEs that cannot afford to fail since the failure of their businesses' internationalization can negatively impact the financial side of the whole enterprise. Therefore, in light of all the above it is essential, for the purpose of this paper, to describe and analyze the business risk at large, with particular regard to the needs of the SMEs and the characteristics of the internationalization process towards China.

Firstly, since this paper concerns Italian SMEs in an international setting, definitions are essential to understand business risk and all its components, therefore in order to avoid unnecessary confusion, all the matters regarding definitions, rules and regulations written below are taken from ISO31000, an international guideline for risk management for organizations published by the International Organization for Standardization (ISO), "worldwide federation of national standard bodies"[135]. Whenever this is not possible, or there is an Italian standard or rule that applies specifically to Italian SMEs, the UNI ISO31000, which are the rules and norms published by the Italian Organization for Standardization (UNI) (that refer to the ones of ISO31000), will be taken into consideration.

135 (ISO, 2018, p. I)

According to the ISO31000, the definition of risk is the "effect of uncertainty on objectives" with effect intended as "a deviation from the expected. It can be positive, negative or both, and can address, create or result in opportunities and threats"[136]. Normally, when speaking about risk management, risk is described through the risk's source, potential events that might arise from it, consequences of the events and likelihood of this events to happen[137], since on a practical side when managing risks the official definition is not so useful and those above are the factors that can be analyzed and modified if necessary to manage the risk. More in detail, risk source is defined as an "element that alone or in combination has the potential to give rise to risk", event as "occurrence or change of a particular set of circumstances", consequence as "outcome of an event affecting objectives", likelihood "chance of something happening"[138].

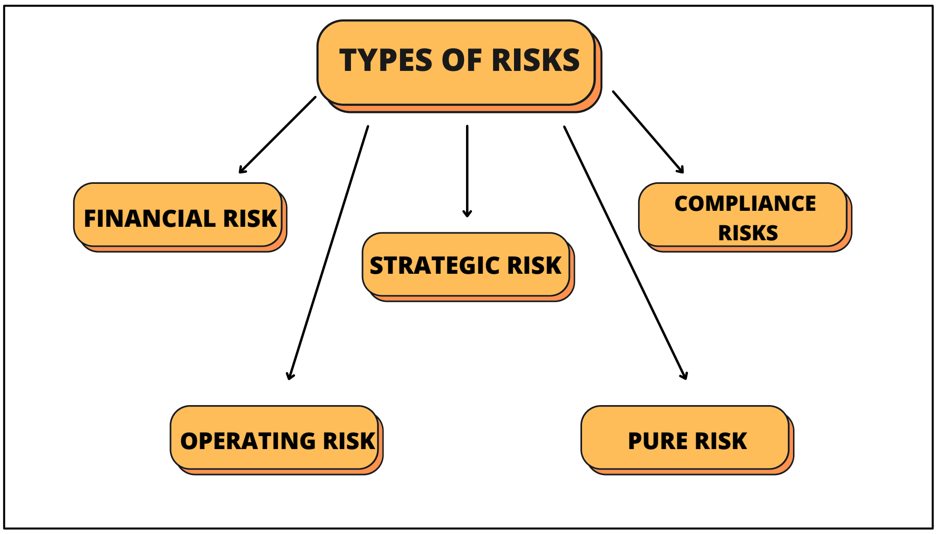

Image 5: Types of risks

Source: Elaboration by author

136 *Ivi. p. 3*

137 *Ibidem.*

138 *Ibidem.*

Of course, when speaking about business risk it is necessary to divide it in different macro categories since business risk is a very broad term and every business category has its own features and consequently its own kind of risks. The risks categories that are common to a wide range of enterprises and consequently a wide range of business areas, as shown in Image 5 above, are financial risks, strategic risks, compliance risks, operating risks, pure risks[139].

The financial risk is the first one that is perceived by every enterprise since it regards the monetary side, including the liquidity risk which happens when an institution is not able to buy or sell its own assets or securities without suffering a loss, the credit risk which is the risk of incurring in losses due to the insolvency of the counterpart and lastly market risk which is linked to the value of assets and liabilities following the changes in market conditions[140]. The strategic risk is also somehow related to the market and its behavior since this category includes all the risks that might threat the competitive position of the enterprise and the achievement of the objectives like macro-economic variables, innovation of the technologies, the existence of new players in the market and so on[141].

The compliance risk is the risk tied to a hypothetical lack of compliance to rules, regulations and laws both outside and inside the enterprise that can ultimately lead to criminal sanctions, economic losses and in some cases damages to the reputation of the enterprise at large[142]. Talking about rules and compliance, the operating risk is also connected to the compliance risk since it is the risk of losses inherent to the operational process of the enterprise and it comprehends everything from fraudulent behavior of the managers, incorrect functioning of the inner process, human errors and so on[143]. If the

---

139 (Assolombarda, 2011, p. 5-10) translated by the author.

140 *Ivi. p.7*

141 *Ivi. p.6*

142 *Ivi.p.9*

143 *Ivi. p.8*

operating risk focuses more on the internal aspect of the enterprise, the pure risk on the contrary includes all the external events that can negatively impact the enterprise like robbery, theft, natural disasters, also known as insurable risks, since it is possible to buy an insurance policy to mitigate the losses that might arise from the happening of these events[144].

In addition to those described above, it is important to acknowledge that since every business is inserted in a dynamic and changing environment, the risks might not only vary but at the same time it is possible to witness the creation of new ones. According to the Allianz risk barometer, an annual survey that analyzes the business risks companies face, in 2020 in Italy the risks that have been perceived as most dangerous are: supply chain disruption, cyber incidents and brand image loss as shown in Table 6[145].

TOP 10 RISKS IN ITALY

Source: Allianz Global Corporate & Specialty.

Figures represent how often a risk was selected as a percentage of all responses for that country.

Respondents: 69

Figures don't add up to 100% as up to three risks could be selected.

Rank		Percent	2019 rank	Trend
1	**Business interruption (incl. supply chain disruption)**	51%	1 (47%)	=
2	Cyber incidents (e.g. cyber crime, IT failure/outage, data breaches, fines and penalties)	49%	2 (38%)	=
3	Loss of reputation or brand value	29%	5 (20%)	↑
4	Natural catastrophes (e.g. storm, flood, earthquake)	20%	2 (38%)	↓
5	Changes in legislation and regulation (e.g. trade wars and tariffs, economic sanctions, protectionism, Brexit, Euro-zone disintegration)	19%	6 (18%)	↑
5	Climate change/increasing volatility of weather	19%	8 (16%)	↑
5	Market developments (e.g. volatility, intensified competition/new entrants, M&A, market stagnation, market fluctuation)	19%	6 (18%)	↑
8	Product recall, quality management, serial defects	14%	4 (22%)	↓
9	Macroeconomic developments (e.g. monetary policies, austerity programs, commodity price increase, deflation, inflation)	13%	NEW	↑
10	Fire, explosion	12%	9 (13%)	↓

Table 6: Top 10 risks perceived by enterprises in Italy in 2020

Source: Allianz Global Corporate & Specialty

144 *Ivi. p.10*

145 (Allianz, 2020) translated by the author.

The reason why these risks occupy the first places in a scale of danger lies in the characteristics of the 2021 world's socio -economic lifestyle of consumers and enterprises, making the more traditional risks, like natural catastrophes moving to the bottom of the list. Considering that the demand of products is now global more and more brands need to have a global supply chain and the disruption of any part of it can have huge consequences on the volume of sales. In addition to this in order to reach more clients and increase their revenues, brands rely more and more on e-commerce and websites and therefore it is important to avoid any kind of cyber incident because not only can lead to economic losses, but it can also negatively influence the image of the brand, pushing away potential clients. Moreover, the Table 3 also shows the creation of a new category of risk perceived which is the fear towards macroeconomic developments, a direct consequence of the Covid19 economic crisis that not only is still damaging the economy at large but is also influencing the way countries decide and manage their economic policies and programs.

Another risk that arose thanks to the Covid19 epidemic is the smart working risk. Smart working is defined by the Italian Ministry of Labor and Social Policies as "agile work (or smart working) is a modality of execution of the subordinate employment relationship characterized by the absence of time or spatial constraints and an organization by phases, cycles and objectives, established by agreement between employee and employer"[146]. In this particular case, the risks are mostly tied to the actual IT tools used for the smart working and the execution of the tasks[147], since in order to face the emergency enterprises did their best to promptly adapt themselves to this new style of work but they did not always have the means to do so.

Focusing more on SMEs, it is important to mention that some types of risks weigh more than others because of the size of the enterprise itself. In this sense, the first type of risk that comes to mind in relation to SMEs is the financial risk: by having less economic

146 (Ministero del lavoro e delle politiche sociali, 2021) translated by the author.

147 (Risk management 360, 2020) translated by the author.

means every risk in the financial risk subcategories (liquidity risk, credit risk, market risk) can greatly damage the enterprise's cash flow, and consequently the ability of the company to create profit is at stake. For example, if a SME has some liquidity issues because of the changes in the market, and faces an insolvent client, chances are that the cash flow will be greatly damaged, because the company is not able to convert assets in cash and therefore is not able cover the losses due to the insolvency of the client. The same damage might happen if the company in order to stay competitive in the market, is obliged to further extend the credit period to its clients, long surpassing the limit that could guarantee a balance in trade receivable and trade payable.

Another type of risk that can greatly influence SMEs is the operational risk because any type of incident that happen inside the company can not only damage the production itself and lead to unplanned expenses for solving the problem and delays in delivering the product to the client, but also greatly damage the image of the enterprise[148]. In the case of nowadays SMEs having a positive corporate identity or even better a positive brand image is getting more and more important because it is the only factor, except their product or service, that they can show to prospective buyers, since in terms of turnover, size and so on, they cannot compete with multinationals or big companies. Taking this into consideration, the link between the brand image and the strategic risk is very straightforward: if the corporate image and reputation of a SME is perceived negatively on the market, it is easier to lose market strength, making the likelihood of some errors due to the strategic risk very high.

The totality of risks mentioned above can be considered as standard risks, but if taking into consideration enterprises who wish to internationalize themselves, a further analysis is due since there are some risks that can be perceived more or only in relation to an international business setting. In this sense, the most common ones are political risk, cross-cultural risk, commercial risk, currency risk as shown in Image 6.

148 (American Express, 2019)

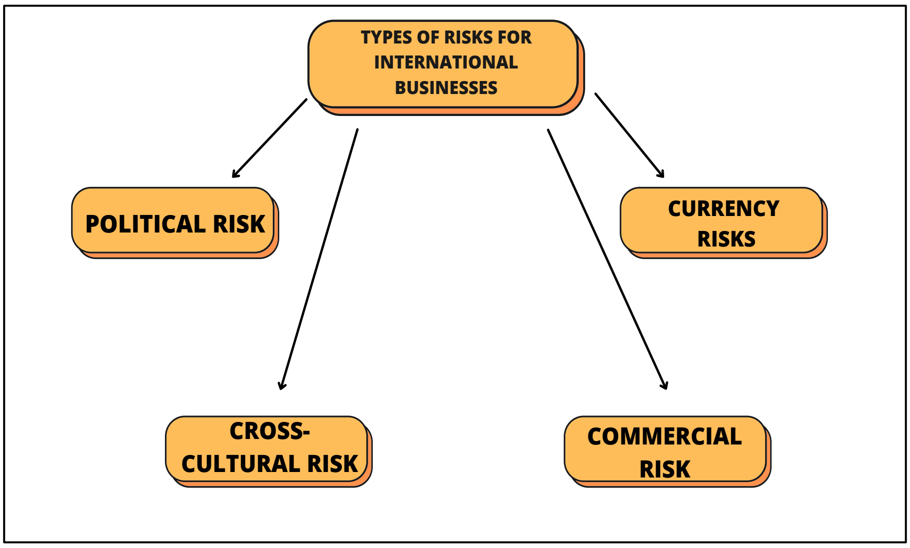

Image 6: Types of risks for international businesses

Source: author's elaboration

Political risk is quite complex to define and there are various definitions in the relative literature, the most complete describes political risk as "discontinuities in the business environment deriving from political change which have the potential of affecting the profits or the objectives of a firm"[149]. It normally depends on the kind of business involved and comprehends different types of risks: risks to personnel like kidnapping, sabotage and terrorism, assets risks which includes general nationalization, specific expropriation restrictions on ownership etc, contractual risks that comprehend changes in contractual conditions due to changes in legislation or violence (including revolution or coup d'état), risks to operation referring to labor relations, taxation and restrictions on labor or technology transfers, and lastly transfer risks which entails exchange controls, profit repatriation etc.[150]

149 (Luiss Guido Carli, 2013)

150 (Britannica, 2017)

Cross-cultural risk can be defined as "the opportunity or loss faced by a firm related to an understanding or lack of understanding of its internal or external cultural environment", with internal cultural environment meaning the human resource management inside the enterprise and external cultural environment indicating the foreign labor market, product market and so on[151]. This kind of risk might seem easy to assess and manage but actually in the business literature is full of cases of businesses not being successful in a foreign market because of culture related issues: culture does not only affect the foreign market in terms of consumer behavior, but it also influences the life and behavior of local workers, that might become the work force of that enterprise.

Commercial risk is a very broad type of risk because it includes everything related to the commerce in the foreign country that is not already under the political risk or cultural or foreign exchange risk, which means that is very similar to the strategic risk mentioned above. It is defined as "a firm potential loss due to poorly developed or executed business strategies, tactics or procedure"[152], and includes errors in market entrance, pricing, creation of advertisement, weak partner and so on, basically everything related to the selling of the product abroad. Normally the failure of a marketing campaign if it happens in a domestic context can cause economic losses, but if it happens in a foreign context can have more serious consequences because the expenses are greater in terms of logistics, production and advertisement itself.

Lastly, currency risk or foreign exchange risk is described as the "exposure faced by investors or companies that operate across different countries, in regard to unpredictable gain or losses due to changes in the value of a currency in relation to another currency"[153]. Of course, this risk might be hedged by investors by buying financial options, like a forward contract, so that even if the exchange rate becomes unfavorable to the investor or company, the price paid remains the same of the day the contract is purchased, a huge

151 (Firsova, Vaghely, & Arcand, 2015)

152 (Cavusgil, 2014 , p. 12)

153 (Corporate finance institute, 2021)

advantage in periods of exchange rate volatility. Obviously, the fact that there are hedging solutions can only mitigate the likelihood or the consequences of this kind of risk because for examples buying a financial option has its cost so in some cases might not be economically convenient because of the expensive price of the option to purchase it and it is better to stay at risk, and it is the investor or the enterprise's Chief Financial Officer (CFO) task to decide.

Focusing more on the situation of SMEs, it is obvious that the above-mentioned risks can greatly influence them, not only in terms of real damages that might arise if the risk comes true, but also in the lack of resources available to hire personnel that can assess or be consulted about potential risks. In the case of foreign exchange risk for example, a survey conducted by the Association of Chartered Certified Accountants (ACCA) shows that "medium-sized enterprises (SMEs) with international activities are significantly exposed to foreign exchange (FX) risk – typically around 19% of revenue[154]". This happens because of the market's volatility but also because of the lack of access to relevant skills which means that SMEs might be "resorting to overly expensive hedging methods or taking their chances without hedging"[155].

In conclusion, talking about risk, the situation for international or wishing to be international SMEs is not optimal because like all the kind of SMEs they are subject to the risks related to the business sphere and the international business sphere, but unlike them SMEs might suffer more on the practical side when a deviation from the expected happens. Luckily it is possible to manage, assess and prevent most of the above-mentioned risks through risk management and its activities, lowering the likelihood of any risk to happen.

3.2 Risk management process.

154 (ACCA Global, 2013)

155 *Ibidem.*

The framework that allows companies to manage, assess and prevent the risks described above is called risk management. It is defined by ISO31000 as "the coordinated activities to direct and control an organization with regard to risk"[156], but in order to better understand what risk management is really about another definition can be used, namely "the totality of processes through which enterprises identify, analyze, quantify, eliminate and monitor the risks that are connected to a determined productive process[157]. The main aim of this discipline is "to minimize the losses and maximize the effectiveness and efficiency of the productive process"[158], so that it is possible to lower the likelihood of risks to happen and ensure a smooth as possible economic activity.

Before diving into the analysis of risk management, including the difference between the various standards and methods of application in the following chapters, two premises are due. The first one is that the whole concept of risk management revolves around the fact that it is a process and therefore is not only an ongoing activity, but it also consists of different steps. The second one is that it is important to distinguish between traditional risk management practices and more modern risk management practices such as the framework proposed by the ISO or the ones proposed by the Committee of Sponsoring Organization of the Treadway Commission (COSO) in order to have a more complete view of the whole risk management.

Generally speaking, the risk management process is composed of 5 steps, no matter the kind of framework that a company chooses for managing its risks, and as written in the chapter 3.1, for the purpose of clarity the definitions, when possible, will be taken from ISO31000 risk management guideline. According to ISO31000 the five steps that

156 (ISO, 2018, p. 3)

157 (Borsa Italiana, 2010)

158 *Ibidem.*

compose the risk management process can be divided into risk assessment and risk treatment and monitoring[159].

In order to better understand the process as a whole it is important to clarify two concepts: risk criteria and internal external context because these terms are at the basis of the whole process. Risk criteria are the criteria choose by the enterprise “to evaluate the significance of risk and to support decision-making processes” and they “should reflect the organization’s values, objectives and be consistent with policies and statements about risk management”[160]. Internal and external context instead is defined by ISO31000 as “the context in which the organization seeks to define and achieve its objectives” and of course they “should reflect the specific environment of the activity to which the risk management process is to be applied”[161].

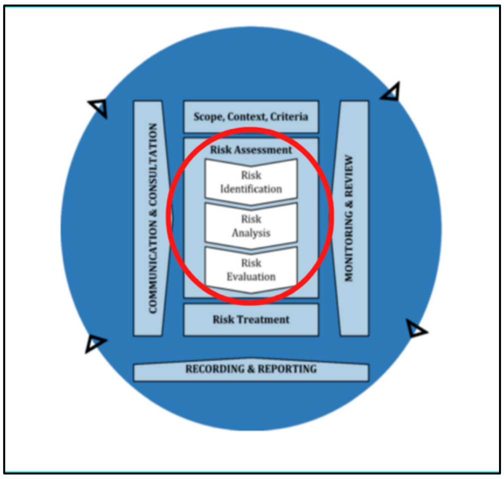

Image 7: Risk management process with focus on risk assessment

Source: ISO31000 guideline[162]

159 (ISO, 2018, p. 6)

160 *Ibidem.*

161 *Ibidem.*

162 The Image 7 was modified by the author with the purpose of focusing the attention on risk assessment.

Risk assessment includes risk identification, risk analysis and risk evaluation and as written in the afore mentioned guidelines, it "should be conducted systematically, iteratively, and collaboratively drawing on the knowledge and the views of the stakeholders[163].

Risk identification main purpose is to "find, recognize and describe risks that might prevent an organization from achieving its objectives", taking into consideration some key factors and the relationship between them, like cause and events, threats and opportunities, vulnerabilities and capabilities, changes in the external and internal context, indicators of emerging risks, the nature and value of assets and resources, consequences and their impact on objectives, limitation of knowledge and reliability of information, time-related factors, biases, assumption and beliefs of those involved[164]. In order to identify risks, there are different techniques available that enterprises can use according to their necessities and characteristics such as typology of business. Generally speaking, the most common ones are brainstorming, interviews, checklist method, scenario analysis, what if technique and so on[165], because they are more general and can be applied to different kind of businesses whereas for example in Italy Hazard Analysis and Critical Control Points (HACCP) is only suitable for companies who work in the food industry.

Risk analysis is the second step of the risk management process, whose purpose is "to comprehend the nature of risk and its characteristics including, where appropriate, the level of risk. Risk analysis involves a detailed consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls and their effectiveness. An event can have multiple causes and consequences and can affect multiple objectives."[166].

---

163 *Ibidem.*

164 *Ibidem.*

165 (Punto sicuro, 2015) translated by the author.

166 *Cit.* (ISO, 2018, p. 6)

	Impact				
Likelihood	Negligible	Minor	Moderate	Significant	Severe
Very Likely	Low Med	Medium	Med Hi	High	High
Likely	Low	Low Med	Medium	Med Hi	High
Possible	Low	Low Med	Medium	Med Hi	Med Hi
Unlikely	Low	Low Med	Low Med	Medium	Med Hi
Very Unlikely	Low	Low	Low Med	Medium	Medium

Table 7: Risk analysis matrix

Source: Corporate Compliance Insights

If done properly, it should take into consideration various factors beyond the ones mentioned in the definition, namely complexity and connectivity, sensitivity and confidence levels and time-related factors and volatility, since by providing an input to risk evaluation, which is the following step of the process, it is important that risk analysis has an as complete as possible view of the risk analyzed[167]. Normally the outcome of risk analysis is the risk matrix, a matrix obtained by crossing the likelihood of the risk, and the risk impact on the objectives in order to understand the exposure of the risk[168], that will be then evaluated in the following step of the risk process.

Risk evaluation is the third step of the risk assessment and is carried out by "comparing the results of the risk analysis with the established risk criteria to determine where additional action is required" and then the outcome of this analysis will be communicated,

---

167 *Ibidem.*

168 (Project Management Institute, 2008)

recorded and validated by the upper levels of the organization[169], also referring to the matrix used for analysis. The outcome of the evaluation can lead to different decision such as doing nothing and stay at risk, consider risk treatment, deepen the level of analysis, maintain the existing controls, reconsider objectives[170], and if the company has purchased an insurance policy it is also possible for it to decide to transfer the negative consequences of the risk to the insurance company[171].

Once the risks are analyzed and evaluated it is time to treat the risk which consist in "selecting and implement options for addressing risks" and this is done by firstly "formulating and selecting risk treatment options, planning and implementing risk treatment, assessing the effectiveness of that treatment, deciding whether that risk is acceptable, if not acceptable taking further treatment"[172]. The risk treatment phase is very complex, since it encompasses a large number of options that aim at treating the risk in the best way possible but range from changing the likelihood of the risk, to removing the risk source or increasing the risk in order to pursue a better objective and so on[173], making it very difficult for the Chief Risk Officer (CRO) to decide how to manage risk. In this sense it is important also to mention that sometimes risk treatment might not be as effective as forecasted and could give rise to unexpected consequences and introduce new risks that need to be managed[174]. Moreover, during this process of planning and implementing it is important to also take into consideration all the direct and indirect costs

---

169 *Cit.* (ISO, 2018, p. 6) translated by the author

170 *Ibidem.*

171 (Clear risk, 2018)

172 *Cit.* (ISO, 2018, p. 6)

173 *Ibidem.*

174 *Ibidem.*

and benefits of risk management including the ones that cannot be measured in financial terms[175], so that it is possible to avoid not treating a risk for budget reasons.

Risk monitoring and review is the step that immediately follows risk treatment with the main purpose of "assure and improve the quality and effectiveness of process design, implementation and outcomes"[176]. It is an ongoing activity that has to monitor every aspect of the risk management process, it should become an integral part of the enterprises' activities for measurement and reporting and performance management [177] in order to obtain a seamless management of the overall business by taking risk under control. Monitoring and review include on one side understanding and discovering changes in the internal and external context, including factors that might lead to a change in risk criteria and to a revision of risk treatments and consequently the enterprises priorities[178]. On the other side it also includes analyzing and learning from risk events of any kind, including the ones with a negative outcome or a near miss outcome[179].

Going back to the Table 7, after having analyzed the whole risk management process in detail, it is important to underline that the totality of the process needs to be recorded and communicated to stakeholders and investors so that the decisions can be timely made. In addition, it is important to mention that the steps analyzed above are standardized but it is possible to find a different division of the tasks according to the guidelines that each enterprise decides to follow and also according to the decisions of the CRO which is in charge of the whole process.

---

175 (European Union Agency for Cyber Security, 2021)

176 *Cit.* (ISO, 2018, p. 6)

177 *Ibidem.*

178 (Chartered Accountants, 2021)

179 *Ibidem.*

Even though any kind of enterprise adopts risk management techniques, it is worth noting that it is very hard to find a well-structured risk management in SMEs where in most of the cases the risk management process is based on the feelings and sensations of the manager-founder of the enterprise[180]. In the last years the role of CRO got increasingly popular in larger enterprises where normally is occupied by an executive who by having an integrated view of the risk at company level and group level is in charge of the evaluation of the totality of the risks,[181] and consequently can decide how to mitigate them. In SMEs this role might have a different collocation since the number of executives is smaller and it is not unusual to find the CRO employed by the Chief Financial Officer (CFO)[182].

In conclusion, it is safe to say that the risk management process is very complex but at the same time if implemented in its totality it analyzes the whole life cycle of the risk, from its individuation to the treatment to mitigate it, becoming an essential tool for a seamless and smooth business management at large. Implementing a strategy to offset risk is fundamental for any kind of enterprise, let alone SMEs with an international market where the increase in the risks is not always proportional to the economic means, and therefore it is necessary for the survival of the enterprise itself to avoid risks. Moreover, as it will be explained in the following sub-chapter, the discipline of risk management itself is characterized by a constant push for innovation in order to keep up with the business world, and this can be seen in the creation and continuous update of standards like the aforementioned ISO31000 and Co.S.O. that proposed the worldwide known Enterprise Risk Management framework (ERM).

Cap. 3.2.1 The different risk management processes: Enterprise Risk Management (ERM) and ISO31000.

180 (Fornara & Redaelli, 2012, p. 4) translated by the author.

181 (Banca d'Italia, 2011) translated by the author.

182 *Cit.* (Assolombarda, 2011, p. 12) translated by the author.

After the 2008 economic crisis that reshaped economy and the market, not without negative consequences, the risk management at large became more and more important and started its transition from a reactive style to a more proactive style, since there is the shared belief that not assessing risks that at that time were in plain sight was part of the reason why the whole crisis precipitated[183]. This necessity for a more proactive risk management that is able to anticipate the risks and treat them instead of reacting once they happened, from the point of view of the enterprise was translated into a broader involvement of the executives, other than the risk control department, into the risk management process[184]. Another consequence of this shift in the perception of risk and risk treatment is the increasing attention given to new risk management frameworks such as Enterprise Risk Management (ERM) and the ISO31000 after the 2008 crisis.

Traditional Risk Management	Enterprise Risk Management
Segmented / Departmentalized	Holistic approach
Each department/business unit/silo deals with own risk	Emanates from the "top" – typically the Board of Directors
Little or no knowledge of overall organizational risks	Broad perspective on overall organizational risks
Focus is on preventing loss within the business unit (tactical)	Focus is on lowering risk, increasing sustainability and providing savings/value across the entire organization (strategic)
Manages uncertainties around physical and financial assets	Assesses entire asset portfolio including intangibles such as customers, employees, suppliers, innovative processes, proprietary systems
Solutions to mitigating risk based on each silo's expertise and decision-making skills	Solutions to mitigating risk based on strategy-setting across the entire organization

Table 8: Differences between Traditional Risk Management and Enterprise Risk Management

Source: Mondaq.com

183 (Harvard, 2018)

184 *Ibidem.*

Before diving into the analysis of the two frameworks and their differences, it is worth describing traditional risk management (TRM) and its characteristics since it can help having a deep understanding of the innovation and changes that the modern risk management with frameworks such as ERM brought. As a matter of facts according to the literature on this field of study, TRM and ERM are two antithetical risk management strategies, as shown in Table 6 above, and as it will be explained in the following paragraph, this difference is mostly due to the time in which the two frameworks were implemented

TRM was mostly adopted in the 70's, focused on what at the time were the main risks, namely financial risk and accidental risk. Then it evolved covering more risks according to the changes in the market and also in the way business is conducted but still keeping its main features[185]. TRM focuses largely on pure risks, also known as insurable risks, that can be transferable to a third party through the purchase of an insurance policy, and therefore it is more effective in assessing financial risk and accidental risk because of their transferability[186]. On a more practical side the main feature of this type of risk management framework is a high level of departmentalization, which consists of managing risk within the business unit or "silo", having little or no knowledge about organizational risks at large[187]. Moreover, TRM is characterized by a reactive approach to risk that focuses on managing losses and avoid threats, making it difficult for enterprises to see the opportunity that can go beyond the risk[188], something that is very common in nowadays enterprises

In addition to the lack of recognizing of opportunities, there are other reasons that made enterprises decide to adopt new frameworks or processes like ERM or ISO31000 as their

---

185 (Cican S. , Comparative study on traditional risk management and enterprise risk management, 2014)

186 *Ivi. p.* 280-281

187 (Mondaq, 2017)

188 *Cit.* (Cican S. , 2014, p. 281)

main risk management framework and can all be connected to the fact that the business world, the market and the way enterprises participate in all of them changed a lot from the 70's when TRM was conceptualized. For examples, nowadays risks are much more complex and most of the times are interdependent one from another due to the progress in technology, the globalization and so on, a progress that also enabled the individuation and quantification of risks that was not possible before[189], making it even more necessary to have a proactive approach to risk. In addition to this, it looks like enterprises are increasingly willing to share their risk management knowledge with companies other than their direct competitor[190], making risk management and its implementation a subject to go public, engaging in a conversation that did not exist before. As a consequence of the changes in society at large two different frameworks were published in the early 2000: Enterprise Risk Management and ISO31000 risk management guidelines.

In 2004 the Committee of Sponsoring Organizations (COSO), whose mission is to "to provide thought leadership through the development of comprehensive frameworks and guidance on enterprise risk management", published the "Enterprise Risk Management (ERM)-Integrated Framework"[191]. This framework was then updated in 2017 with the new version called "Enterprise Risk Management – Integrating with Strategy and Performance" (from now on referred as ERM) in order to follow the changes in society and most important in the business environment, pointing out the risks in the strategy setting and during the performance[192].

ERM is defined by COSO as "a process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be

189 (Djordjevic, 2012, p. 125)

190 *Ibidem.*

191 (COSO, 2021)

192 (COSO, 2017)

within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives"[193]. Even though the purpose and definition of 2004 and 2017 ERM are the same, for the purpose of this paper, the version described will be the latest one published in 2017, but in order to understand the developments present in that edition a brief presentation of the 2004 edition will be described in the following paragraph.

In the 2004 ERM version, the risk management process is divided into 8 different components namely, internal environment, objective setting, event identification, risk assessment, risk response, control activities, information and communication, and monitoring with the main aim of helping the enterprise to reach its objectives divided in 4 categories: strategic, operations, reporting, compliance[194]. The key points of this model as described in the executive summary are aligning risk appetite and strategy, enhancing risk response decisions, reducing operational surprises and losses, identifying and managing multiple and cross-enterprise risks, seizing opportunities, improving deployment of capital[195], a very different approach if compared to traditional risk management described above.

The 2017 version of ERM maintains the main concepts of the 2004 version, but of course there are some changes and adaptations that were done in order to keep up with the changes in the business environment, like for example the addition of a focus on strategy and performance. In this new edition of the framework there are five components that together aim to bring an enhanced value to the enterprise itself: governance and culture, strategy and objective setting, performance, review and revision, information communication and reporting[196].

193 (COSO, 2004, p. 2)

194 *Ivi. p.* 3

195 *Ivi. p.* 1

196 (COSO, 2017, p. 6)

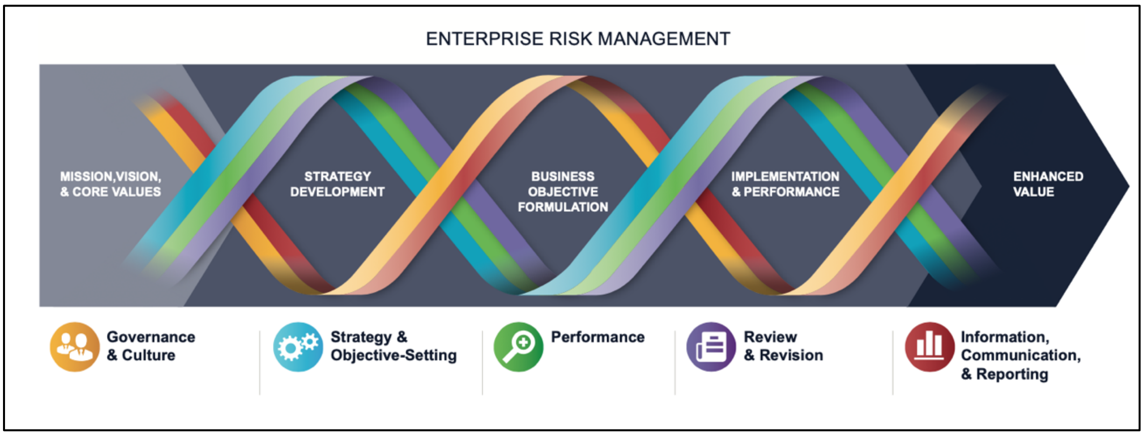

Image 8: ERM framework

Source: COSO Enterprise Risk Management Integrating with Strategy and Performance executive summary

The first component, governance and culture, comprehends exercising board risk and oversight, establishing operating structures, defining desired culture, demonstrating commitment to core values, attracting developing and retaining capable individuals[197], basically everything related to the company itself as source of work. It is a new component that was not present in the 2004 version and in the 2017 version and is one of the features researchers indicate as the main difference with TRM but at the same time, like Sara A. Lundqvist writes in her paper "ERM is a composition of TRM and governance"[198].

The second component is strategy and objective setting and includes everything from defining risk strategies to formulating business objectives to the analysis of the business context, in order to define the basis of the business on which it is possible to build growth and assess risk according to the enterprise's priority[199]. This component is strictly

197 *Ivi p.* 7

198 (Lundqvist, 2015, p. 443)

199 *Cit.* (COSO, 2017, p. 7)

connected to the third one, the performance, because obviously strategy and objectives greatly influence the performance in terms of risks that the company can assume and the implementation of risk response[200].

The fourth component is review and revision and its main subject is the performance of the enterprise because by reviewing it, is possible to understand if the enterprise risk management is working properly in a long-time span and in relation to important changes, so that, if necessary, revisions can be done timely[201]. After the review and revision, it is fundamental to inform, communicate and report the results to external and internal sources, which represents the fifth component, so that the knowledge obtained is shared throughout the whole organization[202], a fundamental step in this kind of holistic management process.

Essentially, besides the afore-mentioned focus on strategy performance and governance, this new framework also gives importance to other key points such as the connection between enterprise performance and ERM, the existence of new ways to analyze and interpret risk in a complex business environment, the role of risk reporting in assessing the stakeholders need for transparency and the embedding of new technologies, including an increasing usage of data analytics as a support device during the decisional process[203].

Looking at the whole process from the point of view of a SME a few observations are due since this kind of companies are the subject of this paper. Firstly, risk management at large is an issue for SMEs since, like bigger size enterprises, they are also subject to risks and therefore might face the consequence of the risks without having the means to recover from economic losses or damages. For this reason, the implementation of a strong ERM in a SME could be lifesaving: if adopted actively the enterprise can have a more offensive

---

200 *Ibidem.*

201 *Ivi. p.* 6

202 *Ibidem.*

203 (ANRA, 2020) translated by the author.

approach for its strategic orientation[204] and can proactively create value and avoid loss. Secondly, implementing ERM is costly because most of the time it implies the creation of new roles occupied by professional figures in the governance of the company[205], that translates in new employees to be paid, another expense for the SME. Thirdly if on one side ERM might add new costs, on the other side is also true that this kind of risk management might improve the efficiency of the enterprise's capital because it helps analyze and understand better the comprehensive risk and evaluate alternative investments, increasing the opportunities of success[206].

In 2009 the aforementioned International Standard Organization published its first edition of the ISO31000 risk management guideline, and then 9 year later, in 2018 published, the new edition, that is the one used as of today[207]. As written in the ISO31000 guideline the framework "provides guidelines on managing risk faced by organizations. The application of these guidelines can be customized to any organization and its context"[208], a very similar definition to the one of ERM because both are processes designed to manage risk in contemporary enterprises. The 2018 edition of the ISO31000 originates from the 2009 edition and it supports the principles and processes described in it, but what changes is the place where the focus lies. As a matter of fact, in the latest version there is an increased stress on the iterative nature of the risk management, necessity to integrate risk management into the organization, simplification of contents because it is important that this framework can be adopted in different situations and contexts[209].

204 (Brustbauer, 2014)

205 (Giappichelli, 2017, p. 6) translated by the author.

206 *Ivi. p.* 25

207 (ISO, 2018, p. I)

208 *Ivi. p.* 1

209 (ANRA, 2019) translated by the author.

Moreover, from the point of view of a SMEs, it is important to mention that ISO also published the "ISO31000 – Risk management- a practical guide for SMEs" handbook, a book that aims to explain how to implement risk management in an effective way[210], in order to be accessible to all kind of enterprises. Of course, like in the case of ERM there are some drawbacks regarding the implementation of this framework, but as John Lark, the author of the handbook, points out: "*Effective risk management is no longer something that only big business can have. This guide has been written for the leaders in small organizations, people whose commitment and energy have created the enterprise and who, by implementing risk management effectively, can help their business to survive and grow*"[211].

Even though COSO's ERM and ISO31000 have a similar, if not identical goal, after analyzing both risk management processes[212] there are some differences to be pointed out. Basically, ERM offers a standard to use as a basis to evaluate the enterprise's ERM process itself, while ISO31000 by itself a standardized guideline provides insights on the risk management process and how to implement it effectively[213]. On a more practical side, while in the ISO31000 framework the risk management process is very traditional and describes risk identification assessment in great detail, in the COSO ERM framework risk management process is mentioned only in one component of the five[214].

In conclusion, even though risk is evolving at a fast pace, the risk management process is successfully keeping up with it, allowing enterprises to safely perform and create value. Having a risk management process that is able to actively help the enterprise enhance the performance and avoid losses of all kinds is important for every size of business, but for

---

210 (ISO, 2016)

211 *Ibidem.*

212 For a more accurate analysis of ISO31000 please refer to chapter 3.2

213 (Corporate compliance insights, 2018)

214 (ERM inisghts by Carol, 2019)

SMEs is essential. Moreover, as it will be explained in the following chapter to internationalize a SMEs' businesses towards China is not easy because of the internationalization process itself and because of the country's embedded risks, therefore being able to skillfully implement a risk management process, whether it is ERM or ISO31000 could be a deal breaker.

Cap. 3.3 Barriers and risks related to the internationalization of Made in Italy SMEs towards China.

As written in the previous chapters, it is consolidated that not only the internationalization of any kind of enterprise is challenging under a strategic point of view, but also it can greatly increase the number of risks a company might face. In spite of this situation nowadays a growing number of Italian enterprises, SMEs included, choose to internationalize their businesses and when deciding the destination, a large number of them choose China, overcoming a large number of barriers of all kinds. According to the Italian government's "Economic Observatory" in 2019 the Italian FDI in China were €11.755 million, the total export €3.636 million total import of €8.987,8 million, figures that indicate a strong Italian presence in China and at the same time a positive trend in term of trade between the two countries[215].

Even though the economic literature is filled with cases of enterprises that successfully internationalize their businesses abroad in China, for the purpose of this paper it is important to analyze firstly the barriers to entrance embedded in China as a country and then the consequences that might have on SMEs. For what it might concern the analysis, the information and data are retrieved from the Organization for Economic Co-operation and Development's (OECD) "Glossary for barriers to SMEs Access to International Markets"[216].

215 (Osservatorio economico, 2021, p. 1) translated by the author.

216 (OECD, 2021)

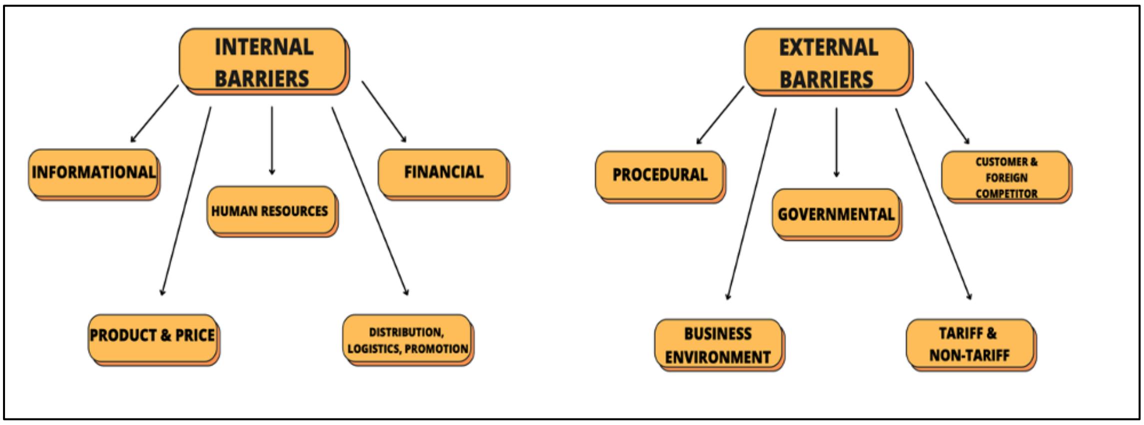

Image 9: Types of barriers

Source: Author's elaboration

The OECD divides the barriers to the SMEs' access to international markets in two categories namely internal and external barriers. The internal barriers are associated with the enterprise itself because they are related to its inner capabilities in relation to export and comprehend informational barriers, human resources barriers, financial barriers, product and price barriers, distribution logistics and promotion barriers[217]. Informational barriers are mostly due to inefficient or inaccurate information that can create problems when it comes to contact potential consumers, identifying business opportunities, analyze the foreign market and so on, whereas human resource barriers refers to an inefficiency of the human resources management in relation to the internationalization process itself that can be translated in a lack of personnel, availability of untrained staff or lastly in difficulties in managing foreign personnel[218]. In the case of internationalization towards China these two barriers are very difficult to overcome because on one side it is very difficult to retrieve detailed and accurate information about the Chinese market specially about competitors, on the other side considering the limited resources of SMEs is also

217 *Ibidem.*

218 *Ibidem.*

challenging to hire qualified personnel that is able to manage the whole business including speaking the foreign language.

Financial barriers can be divided into: shortage of funds to finance working capital for internationalization, shortage of funds to finance investment for internationalization, shortage of insurance for internationalization. Regarding China and the SMEs situation, this kind of barrier can be a deal breaker when it comes to internationalization because of the amount of expenses needed. In order to improve this situation, at present worsened by the Covid19 epidemic, the Beijing government, for examples, on the 5 February 2020 launched 16 new policies, including financial and taxation policies, that focus on helping Chinese SMEs and foreign enterprises that are registered in Beijing and are inserted in the "Standard for the Classification of SMEs"[219]

Product and price barriers comprehend everything related to the marketing field regarding the adaptation of the product and/or price strategy in order to enter the foreign market and gain the favor of consumers, such as difficulty in developing new products for foreign markets, difficulty in matching competitors' prices, difficulty in adapting product design/style and so on[220]. In the case of China, this barrier is strictly connected with the information barrier because without accurate information, creating a successful marketing and pricing strategy is quite difficult. Moreover, looking at this kind of barrier from the perspective of a SME, it is also important to mention that there might be an inner difficulty in terms of financial resources available to adapt the product to the foreign market and to create a competitive price strategy, for example by offering a credit to the client.

Distribution, logistics and promotion barriers include difficulty in establishing/using distribution channels in foreign markets, difficulty in obtaining reliable foreign representation, difficulty in adjusting promotional activities to foreign markets etc,

219 (China Briefing, 2020)

220 *Cit.* (OECD, 2021)

basically all the elements needed in order to get the product to the final consumer[221]. In the case of China, it is worth noting that its geographical position in relation to Italy makes it very expensive and risky to ship by any means of transport any kind of goods because of the cost of transportation and the cost of the insurance that increases along with the likelihood and severity of the risks[222]. Moreover, since once the goods have arrived at destination is fundamental to have an efficient distribution chain, a lot of companies rely on a Chinese wholesaler or middleman because reaching directly to Chinese consumers is very difficult and most importantly without the right interpersonal relations "*guanxi*" (关系 Guānxì) is complicated, if not impossible because these relations are a culturally embedded factor that can work as a facilitator for business activities[223].

External barriers on the other hand, according to the OECD, refer to "barriers stemming from the home and host environment within which the firm operates", and are divided in procedural barriers, governmental barriers, customer and foreign competitor barriers, business environment barriers, tariffs and non-tariffs barriers[224].

Procedural barriers are deeply tied with the aforementioned operational risk because they incorporate all the difficulties stemming from the operational side of the trade with the foreign customer like for example issues with contracts enforcement and legal procedure or troubles with paperwork[225]. Thinking about China, it is necessary to take into consideration two more factors that contribute to the strengthening of the barrier: the language and the legal system. The reason why the language can be an issue it is pretty straightforward, but regarding the legal system is important to notice that in China the methods used for dispute resolutions are various, settlement by negotiation, arbitration

221 *Ibidem.*

222 *Ibidem.*

223 (Murray & Fu, 2016)

224 Cit. (OECD, 2021)

225 *Ibidem.*

litigation and mediation are the main ones[226], therefore it is fundamental for any size of enterprise to possess a human resource that is able to skillfully master all of them.

Governmental barriers are perhaps the most known barriers when thinking about China and in the case of SMEs can create obstacles that might be very hard to overcome since they entail the involvement or lack thereof of the home country and the host country government in relation to foreign enterprises[227]. More in detail, enterprises moving towards China might face unfavorable regulations in diverse fields like export, taxes, especially in terms of foreign ownership where rules and regulations are stricter and different from the ones western enterprises are used to[228]. Regarding this matter, the Chinese government is starting to introduce policies that aim at easing the foreign enterprises' path towards China. An example of this is the law introduced on the 1 of April 2021 that eliminates the ratios of foreign shares in securities fund management which means that from that day on, foreign companies can set up wholly owned units on the Chinese Mainland[229].

Customer and foreign competitor barriers according to OECD are "barriers associated with the firm's customers and competitors in foreign markets, which can have an immediate effect on its export operations" which results in the difficulty of understanding customers' habits and also difficulties in keeping a competitive advantage due to the characteristics of the foreign market[230]. In the case of China these barriers are very pronounced and can be a problem not only for SMEs but also for bigger enterprises,

---

226 (Thomson reuters practical law, 2021)

227*Cit.* (OECD, 2021)

228 *Ibidem.*

229 (Xinhua, 2020)

230 *Cit.* (OECD, 2021)

because a country's culture affects multiple aspects including how companies behave on the market and how consumers interact with the market.

Business environment barriers comprehend a lot of different aspects because they involve all the elements that might influence the business itself such as political, economic, social, technology, legal and environmental factors. Once again, considering the fact that China is a culturally distant country and the influences on the business environment come from different areas, it is very likely that SMEs during their internationalization process will encounter at least some of these barriers, like different language and body language, different socio-cultural traits, political instability, unfamiliar business practices and so on[231].

Lastly, there are the tariff/non-tariff barriers that refers to restriction for the export and the internationalization implemented by the government policies regarding the foreign market such as high tariff barriers, inadequate IP protection, restrictive health, safety and technical standards, arbitrary tariff classification and reclassification, unfavorable quotas and/or embargoes, high costs of customs administration, competitors with preferential tariff by regional trade agreement[232]. Between the above-mentioned barriers the one that is connected to China the most is surely the inadequate IP protection. In the rapid growth lively Chinese market, patent infringement is very common and considering the purchase power of Chinese consumers it is easy to understand why having an inadequate protection can be a huge source of issue for SMEs because they are at constant risk of seeing the counterfeit version of their product on the market, and maybe without having the means to file a report about the situation. In the last years the Chinese government committed itself to eradicate this issue and in 2020 it "revised and promulgated four laws and regulations related to IP rights. Six judicial interpretations on IPR protection were issued;

231 *Ibidem.*

232 *Ibidem.*

More than 20 policy documents related to IPR protection were issued and implemented. Two national standards for IPR protection were issued"[233].

The list of barriers mentioned above is not complete because on one side every barrier is composed of numerous factors and elements making it very difficult to analyze them in their totality and on the other side like risks, these barriers change according to the changes in the business environment at large and the country. However, for the purpose of understanding the real issues Italian SMEs face when trying to internationalize towards China, it is also important to analyze the risks embedded in China as a country.

As written in the chapter 3.2, the main risks for international businesses are political risks, cross-cultural risks, commercial risk, currency risk and when internationalizing towards China there is a high chance that an enterprise will face all of them. Political risk in China is mostly due to the domestic policies launched by the Chinese government that can create social unrest and greatly influence the Chinese consumers behavior[234]. In addition to the domestic aspect, the last couple of years have seen some frictions in the trade between US and China, that escalated in a trade war where both countries impose taxes on exports, with the most recent round consisting in a tax of the 15% from the US on Chinese imports and taxes ranging from 5% to 25% on US good from the Chinese government, with consequences that affected the economies and societies of the two countries[235].

Cross-cultural risk is a major risk when talking about China because culture affects a lot of aspects that influence the consumer behavior towards a determined product and therefore having a complete understanding is not only important but also necessary. The most famous example in this sense is undoubtedly the worldwide famous Italian fashion brand Dolce & Gabbana advertisement campaign of 2018 that was not welcomed by the Chinese potential consumers since it portrayed some culture features, typical of the

---

233 (Mondaq, 2021)

234 (Harvard Business review, 2006)

235 (BBC, 2020)

Chinese culture, in a disrespectful way. This whole episode not only created dissatisfaction in Chinese consumers, but also led to the boycott of the brand in stores and e-commerce throughout China[236], a boycott that also involved the Chinese communities outside China.

Commercial risk in relation to China is very challenging to describe since the risk category itself comprehends various aspects, but generally speaking international companies face this kind of risk every day because the market they are getting into is very lively and changes rapidly according to the changes in society. In the case of China though there is a commercial risk that has a high likelihood of happening with respect to other countries: the risk of counterfeiting. Even though, as written above, the Chinese government is committing itself to improve the protection of intellectual property, the counterfeiting risk is still present in China and sometimes involves Italian brands that see their Made in Italy products altered and then sold on the Chinese market without their consent. As a matter of fact, the "Economic Observatory" of the Italian government recommends Italian companies to make sure that their intellectual protection is properly protected, under an administrative and contractual point of view, if not hardly protectable[237].

Lastly, there is the currency risk. This risk is strictly tied to the financial and monetary rules, regulations and policies launched by the Chinese government, especially regarding the Renminbi (RMB), the currency of the People's Republic of China. Even though the Chinese government is starting to ease the regulations on the trading of the RMB, in an attempt to transform the yuan into a global currency[238], there still a long way to go before it can replace global currencies such as the US dollar. Moreover, as of 2021 China entered the last phase of the trial for the creation and use of a digital national currency, the e-yuan,

236 (Wired, 2018) translated by the author.

237 (Osservatorio economico, 2021)

238 (American Express, 2021)

with the main aim of controlling the economy and positively accelerating its growth[239]. If the trial will have some positive outcomes, it is not possible to exclude some changes in the financial system at a global level, that might lead to new foreign exchange risks and even new political risks.

In conclusion it is safe to say that the path towards China is not easy because of the risks and barriers an enterprise might encounter during its internationalization process. Barriers and risks related to the Asian country are in continuous evolution at a fast pace, along with the society and its lifestyle and maybe today's risks can become tomorrow's opportunities. The matter described throughout the chapter is just the surface of a much complex context that is China, its culture and its business environment. Moreover, considering the complexity of the Chinese business environment and the internationalization process, from the point of view of a Made in Italy SMEs, resorting to a Chinese B2B platform to enter the Chinese market is an alternative that needs to be taken into consideration, as it will explained in the following chapter.

Cap. 3.4 Alibaba.com as a tool to offset Made in Italy SMEs' risks of the internationalization towards China.

In the previous chapter we analyzed the risks and barriers embedded in China as a country and their impact on SMEs, but for the purpose of this paper the analysis must go further. According to Rodrigo Cipriani Foresio, the general manager of Alibaba's Southern Europe division: "*Between January and March 2020, the gross merchandise volume, which is the total volume realized by Italian companies with a flagship store present on the B2C marketplace Tmall and Tmall Global, saw an increase of more than 50% if compared to the same period of time in 2019*"[240]. Even though these percentages are partially due to the pandemic that unfortunately contributed to the closing of various

239 (Il Post, 2021) translated by the author.

240 (Il Sole 24 ore, 2020) translated by the author.

physical shops, it is safe to say that there is an interest from Italian enterprises in selling through these platforms.

In order to fully analyze the aspects of Alibaba.com as a tool for the internationalization of Made in Italy SMEs, it is important to focus on its potential role in offsetting the risks related to the internationality of an enterprise, which are political, cross-cultural, commercial and currency risk.

Regarding Italian enterprises listed in the Alibaba.com platform and their political risk, the situation is quite complex because it all depends on influence that the changes in politics have on the e-commerce platforms, since it is what ultimately can create discontinuities in the business environment and as a consequence affect the Italian enterprises. In the last few years the debate on whether Alibaba.com is or not a tool in the hands of the Chinese government has kept going on, creating two main sides: on one side some experts and forecasters think that the B2B e-commerce is just a way for the Beijing government to have a better control on the private sector of the economy, on the other side other experts think that since tech giants such as Alibaba.com and Tencent are very powerful, they are going to be under even more government scrutiny[241]. More recently, Alibaba Group received a fine of 18,2 billion yuan (€2,8 billion) from the Chinese government for the violation of monopoly rules: according to the competent authorities Alibaba.com platform forbids its traders to offer their products on other e-commerce[242], using its leading position in the B2B sector to damage other competitors. This episode did not have any consequence on the enterprises that are listed in the platform, it is just an example of the dynamism of the political risk in China and the partial inability of Alibaba.com to protect its enterprises from political change.

As explained in the previous chapter cross-cultural risk is a major risk for non-Chinese western international companies looking to conduct businesses in China because of the differences in culture. In regards of this risk, having a shop on Alibaba.com can be an

241 (Nikkei Asia, 2017)

242 (Il Sole 24 ore, 2021) translated by the author.

important advantage for a SME, considering that Chinese consumers not only just trust the B2B platform and therefore are likely to buy from the brands and shops on it, but they also use the other apps and websites present in the Alibaba Group ecosystem daily. This element made it possible for Alibaba.com to reach record figures such as 779 million annual active consumers in 2020 in the Chinese retail market, as written in the Alibaba's Group December 2020 quarterly results[243]. Besides the interesting figures mentioned in chapter 2 that already are positive factors in the eyes of foreign brands, there is one more factor that can be considered an advantage and can potentially offset part of the cross-cultural risk: Alibaba.com is a Chinese e-commerce platform, and therefore has some features that attract Chinese consumers, gaining their trust even when it comes to buy foreign products. An example of this, in the B2B area are the Alibaba Trade Shows where wholesalers, also international ones, can present their new products using livestreams, a well-known and often used marketing tool in China, and very popular on the platform with more than 1.395.000 products launched and more than 37.000 participants[244].

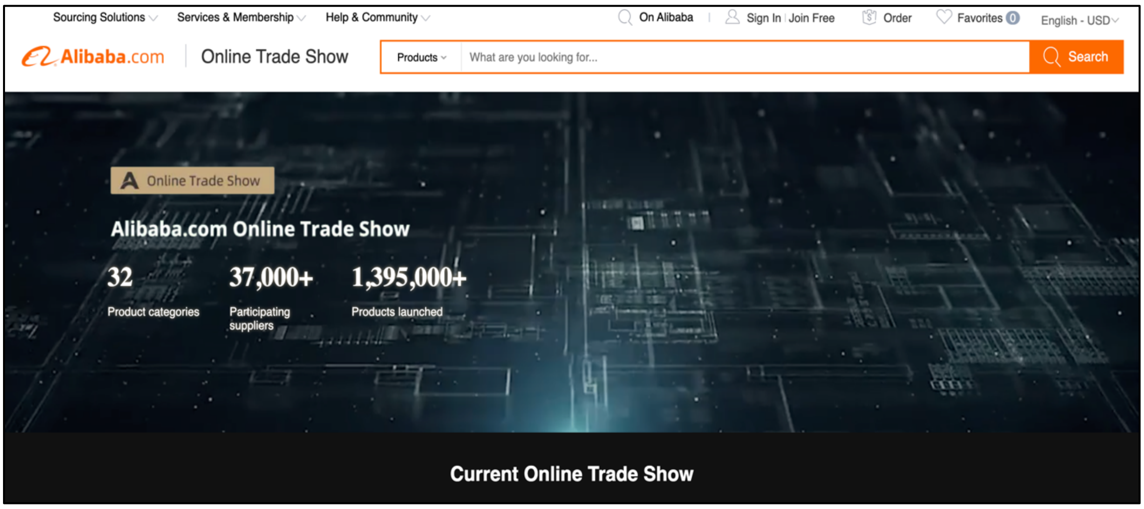

Image 10: Alibaba.com Online Trade show homepage

Source: Alibaba.com

243 (Alibaba Group, 2021)

244 (Alibaba.com, 2021)

In addition to all of the above, from the point of view of a Made in Italy SME wishing to internationalize towards China, the fact that through the platform is possible to gain Chinese consumers' trust is important, but it is also important to find a reliable Chinese business partner. Considering the cultural differences and the fact that everything is carried out on the platform before and through a cross-border channel, Alibaba.com and its supplier verification system can greatly help companies find a reliable partner. In light of the analysis above it is safe to say that Alibaba.com, from a cultural point of view, can contribute lowering the likelihood of cross-cultural risk since on one side the platform is deeply trusted by the Chinese consumers and on the other side it actively helps brands and enterprises not only to promote their products in a way that has a higher chance to be welcomed by the Chinese market and avoid cultural mistakes but also to find a trustworthy business partner.

Among the commercial risks, as mentioned above, one of the risks with the highest likelihood in China is the counterfeiting risk. In this scope Alibaba.com and Alibaba Group are working strenuously to put an end to this issue, since having a damaged reputation hurts both the brands whose products are counterfeit and the third-party websites and platforms[245]. In 2008 Alibaba Group launched a program, called "AliProtect", for the protection of Intellectual Property Rights (IPR) in the platforms AliExpress, Alibaba.com and 1688.com, then in 2011 created "TaoProtect" with the same goal but operating in Taobao, Tmall and Tmall Global and lastly in 2015 these two platforms were integrated in one global platform called "Intellectual Property Protection Platform (IPP Platform)[246]. As written in Alibaba's Intellectual Property Rights Protection handbook, through this platform rights holders can create an account and "submit takedown requests through all seven e-commerce platforms [owned by Alibaba Group][247]". Moreover, in order to enhance the performance on its IPP platform, Alibaba Group also created the "Good-Faith Takedown Mechanism" (also known as "the

245 (Forbes, 2021)

246 (Alibaba Group, 2019, p. 2)

247 *Ibidem.*

Mechanism") a system designed to make sure that IPR complainants on the Tao Marketplaces (Taobao, Tmall, Tmall Global) can enjoy "more convenient and efficient enforcement experience on Alibaba IPP Platform"[248]. All these efforts have started to pay off, as Fred Mosert, the president of the Luxury Law Alliance said: "*Alibaba over the past three years has gone from being criticized for its efforts in IP protection to being viewed as a leader and innovator in the field*"[249]. Summing up, it is safe to say that regarding the counterfeiting risk, Alibaba.com and Alibaba Group are able to effectively contribute to offset this risk in a proactive way, and this is very important for Made in Italy SMEs because their products are often the target of counterfeiters.

The last risk to analyze is the currency risk or foreign exchange risk in relation to Alibaba.com and its features. Like the political risk, foreign exchange risk largely depends on the policies adopted by the government and the external geopolitical environment and therefore Alibaba.com can only partially contribute to offset this kind of risk. On the platform, even though the prices are shown in US dollars (USD), it is possible to pay in Chinese yuan (CNY) and still obtain the Trade Assurance protection like the orders paid in USD through the website's payment system, as explained in chapter 2[250]. By giving the possibility of choosing the CNY as payment currency, makes it possible, if convenient to the buyer, to avoid the currency risk tied to the fluctuation of the USD, without having to pay any kind of transaction fee from Alibaba.com[251]. From the point of view of SMEs wishing to internationalize, avoiding particularly fluctuating currencies, this can be an important advantage on the financial side.

In conclusion it is safe to say that Alibaba.com has some features that can help Made in Italy SMEs to internationalize towards China, in particular regarding those aspects where

248 (Alibaba Group, 2020)

249 (Jing Daily, 2019)

250 (Alibaba Group, 2021)

251 *Ibidem.*

the platform has more decisional power such as deciding how to make enterprises promote their product or giving the possibility to pay in a different currency etc. Of course, the extent to which Alibaba.com can help a SME largely depends on the situation of the enterprise itself in terms of tangible and intangible assets. What is certain, in light of all the above is that the path of internationalization towards China is now getting smoother due to the various alternatives even for Made in Italy SMEs, that until not so many years ago could only dream of selling products on the distant Chinese market.

CONCLUSION

The main aim of this paper is to analyze Alibaba.com as a tool for the internationalization of Made in Italy SMEs towards China since this kind of SMEs with a more international view is becoming increasingly popular in Italy. By looking at the analysis conducted in the chapters above is clear that the whole internationalization process is quite complex and dynamic since not only every enterprise has its own characteristics in terms of product sold, turnover, human resources and so on, but also the socio-economic scenario, the business environment of both the home country and the host country, in this case China, is very likely to change in the glimpse of an eye.

This complexity and dynamism plus the increasing interest towards China, contributed to pushing the Italian government to offer customized help for Italian SMEs not only through its governmental agencies, but also by making deals with Alibaba Group, like the case of the "Made in Italy pavilion" on Alibaba.com. This initiative, because of its key points, not only can greatly help Made in Italy SMEs under an economic point of view but also offers a direct entry on the Chinese market and some tools such as the "UNI marketing" system, customer service and many more that can help SMEs to actively conduct their businesses on that market.

However, even though the initiative mentioned above and the features of Alibaba.com itself can be considered valid options for the Made in Italy SMEs wishing to enter the Chinese market, it is also important to consider the other side of the medal, in this case the risks of internationalization towards China and their management. In this sense the analysis carried out in this paper points out that not only is the internationalization process risky, but there are some risks embedded in China as a country whose likelihood is very high and therefore it calls for the implementation of an effective risk management in the SMEs.

In conclusion, considering the analysis carried out in the chapters above and the outcomes mentioned here, it is safe to say that Alibaba.com can function as a tool for the internationalization of the Made in Italy SMEs towards China because it offers practical tools that go beyond the financial support enterprises can get from the governmental entities. Basically, in exchange of a membership fee that can be customized according to the kind of package of services needed, which in the case of the Made in Italy enterprises that are listed on the "Made in Italy pavilion" is free for one year, SMEs get the possibility to enter the Chinese market from a different starting point, a more visible one.

Of course, this paper does not seek to represent a definitive solution for the internationalization towards China of all kinds of Made in Italy SMEs, because on one hand it was conceptualized as a starting point for future research on this topic since the matter and issues analyzed are very recent, and on the other hand as written above the business, technological and socioeconomic environments of China and Italy are in continuous development, therefore if it is true that today's risk can be tomorrow's opportunity it is also true that today's internationalization strategy towards China can be tomorrow's barrier.

Sitography

ICE. (2021, 03 15). *Mercati*. Tratto da Italian Trade Agency: https://www.ice.it/it/mercati

虎嗅 HuXiu. (2017, 05 14). *外国人眼中的中国电商，以及中国电商对未来零售的影响*. Tratto il giorno 04 2021 da huxiu.com: https://www.huxiu.com/article/194783.html

ACCA Global. (2013). *SMEs and foreign exchange risk*. Tratto il giorno 05 2021 da accaglobal.com: file:///Users/caterinaminelli/Downloads/pol-afb-safer%20(1).pdf

Alibaba Group. (2019, 09). *INTELLECTUAL PROPERTY RIGHTS PROTECTION HANDBOOK*. Tratto il giorno 06 2021 da global.vic.gov.au: https://global.vic.gov.au/__data/assets/pdf_file/0008/444860/Alibaba-IPP-Handbook-EN-002.pdf

Alibaba Group. (2020, 2 13). *December quarter 2019 results.* Tratto il giorno 04 2021 da alibabagroup.com: https://www.alibabagroup.com/en/ir/presentations/pre200213.pdf

Alibaba Group. (2020, 11 23). *Made in Italy nel mondo.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Alibaba%20ICE%20event.pdf

Alibaba Group. (2020, 10 27). *Rules of Good-faith Takedown Mechanism of Alibaba 资讯*. Tratto il giorno 06 2021 da ipp.alibabagroup.com: https://ipp.alibabagroup.com/infoContent.htm?spm=a2o2l.10375063.0.0.5e7a4bcag5YXSO&skyWindowUrl=ipp/gftm/rules_en

Alibaba Group. (2021, 04 15). *阿里巴巴集团业务范畴*. Tratto il giorno 04 2021 da Alibaba Group: https://www.alibabagroup.com/cn/about/businesses

Alibaba Group. (2021, 04 19). *阿里巴巴集团业务范畴*. Tratto il giorno 04 2021 da Alibabagroup.com: https://www.alibabagroup.com/cn/about/businesses

Alibaba Group. (2021, 04 11). *阿里巴巴集团历史及里程碑*. Tratto il giorno 04 2021 da Alibaba Group: https://www.alibabagroup.com/cn/about/history?year=1999

Alibaba Group. (2021, 2 12). *阿里巴巴集团公布2020年12月份季度业绩.* Tratto il giorno 04 2021 da Alibabagroup.com: https://www.alibabagroup.com/cn/news/article?news=p210202

Alibaba Group. (2021, 02 2). *Alibaba Group Announces December Quarter 2020 Results.* Tratto il giorno 06 2021 da Alibabagroup.com: https://www.alibabagroup.com/en/news/press_pdf/p210202.pdf

Alibaba Group. (2021, 2 2). *December 2020 quarter results.* Tratto il giorno 2 2021 da alibabagroup.com: https://www.alibabagroup.com/en/ir/presentations/pre210202.pdf

Alibaba Group. (2021, 02 2). *December Quarter 2020 Results.* Tratto il giorno 04 2021 da Alibabagroup.com: https://www.alibabagroup.com/en/ir/presentations/pre210202.pdf

Alibaba Group. (2021). *Knowledge center-RMB*. Tratto il giorno 06 2021 da activity.alibaba.com: https://activity.alibaba.com/page/9a308030.html

Alibaba.com . (2020, 11 23). *Alibaba ICE event.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/ALIBABA/B2B

Alibaba.com. (2020, 11 23). *Vantaggi Global Gold Supplier.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/ALIBABA/B2B

Alibaba.com. (2021, 04 19). *About Alibaba.com*. Tratto il giorno 04 2021 da activities.alibaba.com: https://activities.alibaba.com/alibaba/following-about-alibaba.php?spm=a2700.8293689.0.0.500267afUNzvcS&tracelog=footer_alibaba

Alibaba.com. (2021, 04 22). *Alibaba B2B tool suite and features for sellers*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/features?country=US

Alibaba.com. (2021, 04 22). *Alibaba seller fee*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/pricing?country=US

Alibaba.com. (2021, 04 22). *Alibaba Services*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/services?country=US

Alibaba.com. (2021, 04 22). *Alibaba.com Seller Central*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/?spm=a272f.20124627.9956634150.1.141a5ef5ddfxa8#1353851370

Alibaba.com. (2021, 04 23). *Gold Supplier*. Tratto il giorno 04 2021 da alibaba.com: https://www.alibaba.com/help/gold_supplier.html

Alibaba.com. (2021, 04 23). *How to buy from Alibaba*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/businessblogs/px65f6s8-how-to-buy-and-source-from-alibaba#2

Alibaba.com. (2021, 04 23). *How to buy from Alibaba*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/businessblogs/px65f6s8-how-to-buy-and-source-from-alibaba#2

Alibaba.com. (2021). *Online Trade Show.* Tratto il giorno 06 2021 da sale.alibaba.com: https://sale.alibaba.com/p/d9mmludld/index.html?tracelog=fromhomeheader

Alibaba.com. (2021, 04 22). *Wholesale eCommerce- sell wholesale online with Alibaba*. Tratto il giorno 04 2021 da seller.alibaba.com: https://seller.alibaba.com/solutions/wholesale-ecommerce?country=US

Alizila. (2017, 06 19). *Alibaba's New 'Uni Marketing' a Game Changer for Brands*. Tratto il giorno 04 2021 da alizila.com: https://www.alizila.com/alibabas-new-uni-marketing-game-changer-brands/

Alizila. (2017, 06 19). *Alibaba's New 'Uni Marketing' a Game Changer for Brands*. Tratto il giorno 04 2021 da alizila.com: https://www.alizila.com/alibabas-new-uni-marketing-game-changer-brands/

Allianz. (2020, 01 14). *Allianz risk barometer 2020: per la prima volta la minaccia informatica è il principale rischio percepito dalle aziende a livello mondiale.* Tratto il giorno 05 2021 da agcs.allianz.com: https://www.agcs.allianz.com/news-and-insights/news/allianz-risk-barometer-2020-it.html

Amazon. (2021, 04 22). *How much does it cost to sell on Amazon*. Tratto il giorno 04 2021 da sell.amazon.com: https://sell.amazon.com/pricing.html#other-costs

American Express. (2019, 04 08). *7 business risk every business shoudl plan for.* Tratto il giorno 05 2021 da americanexpress.com: https://www.americanexpress.com/en-us/business/trends-and-insights/articles/7-business-risks-every-business-should-plan-for/

American Express. (2021). *Trading in Chinese Renminbi Currency*. Tratto il giorno 05 2021 da americanexpress.com: https://www.americanexpress.com/au/foreign-exchange/articles/trading-in-chinese-currency-managing-fx-exchange-risk/

ANRA. (2019, 11 04). *LO STANDARD ISO31000, NOVE ANNI DOPO*. Tratto da anra.it: https://anra.it/it/it/article/1661/lo-standard-iso-31000-nove-anni-dopo

ANRA. (2020, 04 25). *2018 COSO ERM FRAMEWORK: LE PRINCIPALI NOVITÀ*. Tratto il giorno 05 2021 da anra.it: https://www.anra.it/it/it/article/874/2018-coso-erm-framework-le-principali-novita

Ant Group. (2021, 04 14). *Ant Group company profile*. Tratto il giorno 04 2021 da Ant Group: https://www.antgroup.com/en/about/introduction

Arsutoria magazine. (2020, 04 2). *Intervista a Carlo Ferro, presidente ICE: le nuove iniziative di ICE a supporto dell'internazionalizzazione delle imprese italiane*. Tratto il giorno 03 2021 da Arsutoria magazine:

https://arsutoriamagazine.com/it/agenzia-ice-le-iniziative-per-supportare-le-imprese/

Assolombarda. (2011, 10 3). *Carlo Arlotta- I rischi finanziari aziendali: dalla prevenzione alla gestione.* Tratto il giorno 5 2021 da assolombarda.it: https://www.assolombarda.it/fs/20111031899_183.pdf

Assolombarda. (2011, 10 03). *Rischi finanziari aziendali: dalla prevenzione alla gestione.* Tratto il giorno 05 2021 da assolombarda.it: https://www.assolombarda.it/fs/20111031899_183.pdf

Banca d'Italia. (2011, 11 10). *Il ruolo del risk management per un'efficace presidio dei rischi: le lezioni della crisi.* Tratto il giorno 05 2021 da bancaditalia.it: https://www.bancaditalia.it/pubblicazioni/interventi-direttorio/int-dir-2011/Tarantola-101111.pdf

BBC. (2020, 1 16). *A quick guide to the US-China trade war*. Tratto il giorno 05 2021 da bbc.com: https://www.bbc.com/news/business-45899310

Borsa Italiana. (2010, 06 04). *Il risk management*. Tratto il giorno 05 2021 da borsaitaliana.it: https://www.borsaitaliana.it/notizie/sotto-la-lente/risk-management-107.htm

Britannica. (2017, 10 05). *Political risk analysis. Encyclopedia Britannica*. Tratto il giorno 05 2021 da britannica.com: https://www.britannica.com/topic/political-risk-analysis

Brustbauer, J. (2014, 07 30). Enterprise risk management in SMEs: Towards a structural model. *International Small Business Journal: Researching Entrepreneurship, 34*(1). Tratto il giorno 05 2021 da journals.sagepub.com: https://journals.sagepub.com/doi/abs/10.1177/0266242614542853?casa_token=sJveV0IsARcAAAAA%3Aep1c1CmrnJrjH5RVRVadM6_6pkf5WMWVFsoNVfnaQiAF8NL_ZOPU55prrUzfWPXYSQP_YeV4Y92oo_k&journalCode=isbb

Cambridge dictionary. (2021, 04 18). *Internet of Things*. Tratto il giorno 18 2021 da dictionary.cambridge.com: https://dictionary.cambridge.org/it/dizionario/inglese/internet-of-things

Cassa Depositi Prestiti. (2020, 11 25). *Il gruppo CDP*. Tratto il giorno 3 2021 da Cassa Depositi Prestiti: https://www.cdp.it/resources/cms/documents/CDP-societogramma_ITA_20201125.pdf

Cassa Depositi Prestiti. (2021, 03 29). *Cassa depositi prestiti Storia*. Tratto il giorno 03 2021 da Cassa Depositi Prestiti: https://www.cdp.it/sitointernet/it/170_timeline_storia.page

CDP. (2021, 03 29). *CDP governance*. Tratto il giorno 03 2021 da CDP: https://www.cdp.it/sitointernet/it/governance.page

CDP. (2021, 03 29). *CDP governance*. Tratto il giorno 03 2021 da CDP: https://www.cdp.it/sitointernet/it/governance.page

Chartered Accountants. (2021). *Monitor and review*. Tratto il giorno 05 2021 da survey.charteredaccountantsanz.com: https://survey.charteredaccountantsanz.com/risk_management/small-firms/monitor.aspx#:~:text=Monitoring%20and%20review%20should%20be,involve%20regular%20checking%20or%20surveillance.&text=Detecting%20changes%20in%20the%20external,of%20risk%20treatments%20a

China Academy of Information and Technology. (2020, 12). *物联网白皮书*. Tratto il giorno 04 2021 da CAICT 中国信通院: http://www.caict.ac.cn/english/research/whitepapers/202012/P020201223330673521178.pdf

China Briefing. (2020, 2 11). *China's Latest Regional Measures to Support SMEs during the Coronavirus Outbreak*. Tratto il giorno 05 2021 da china-briefing.com: https://www.china-briefing.com/news/chinas-latest-regional-measures-to-support-smes-during-coronavirus-outbreak/

CIA. (2021, 04 13). *China-The world factbook*. Tratto il giorno 04 2021 da cia.gov: https://www.cia.gov/the-world-factbook/countries/china/#communications

CIA. (2021, 3 12). *CIA.gov*. Tratto da The world factbook: https://www.cia.gov/the-world-factbook/field/imports/country-comparison

CIA. (2021, 3 12). *CIA.gov*. Tratto da The world factbook: https://www.cia.gov/the-world-factbook/field/imports/country-comparison

CIA. (2021, 3 12). *The world fact book*. Retrieved from CIA.gov: https://www.cia.gov/the-world-factbook/field/imports/country-comparison

Cican, S. (2014). *Comparative study between traditional and enterprise risk management.* Tratto il giorno 05 2021 da anale.steconomiceuoradea.ro: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. (2014). *Comparative study on traditional risk management and enterprise risk management.* Tratto il giorno 05 2021 da anale.steconomiceuoradea.ro: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *abc 123*. Tratto da www.abc123.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *avc.* Tratto il giorno 05 2021 da www.papers.ssrn.com.

Cican, S. I. (2014). *Comparative study between traditional and enterpise risk management- a theoretical approach.* Tratto da papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *COMPARATIVE STUDY BETWEEN TRADITIONAL AND ENTERPRISE RISK MANAGEMENT – A THEORETICAL APPROACH.* Tratto il giorno 05 2021 da papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *COMPARATIVE STUDY BETWEEN TRADITIONAL AND ENTERPRISE RISK MANAGEMENT – A THEORETICAL APPROACH.* Tratto il giorno 05 2021 da papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *COMPARATIVE STUDY BETWEEN TRADITIONAL AND ENTERPRISE RISK MANAGEMENT – A THEORETICAL APPROACH.* Tratto il giorno 05 2021 da papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *Comparative study between traditional and enterprise risk management-a theoretical approach.* Tratto il giorno 05 2021 da papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *Comparative study between traditional and enterprise risk management-a theoretical approach*. Tratto il giorno 05 2021 da www.papers.ssrn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S. I. (2014). *Comparative study between traditional risk management and enterpirse risk management*. Tratto il giorno 05 2021 da anale.steconomiceuoradea.ro: http://anale.steconomiceuoradea.ro/en/2014/07/28/1st-issue-july-tom-23-2014/

Cican, S. I. (2014). *Comparative study between traditional risk management and enterprise risk management- a theoretical approach.* Tratto il giorno 05 2021 da www.googlescholar.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S.-I. (2014). *Comparative study between traditional and enteprise risk management.* Tratto il giorno 05 2021 da papers.ssn.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pd

Cican, S.-I. (2014). *Comparative study between traditional and enterprise risk management.* Tratto il giorno 05 2021 da ice.it: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cican, S.-I. (2014). *Comparative study between traditional and enterprise risk management*. Tratto il giorno 05 2021 da google.com: http://steconomiceuoradea.ro/anale/volume/2014/n1/029.pdf

Cinitalia. (2017). Cinitalia. *Cinitalia*(1/24), 26-33.

Clear risk. (2018, 06 20). *The 5 Step Risk Management Process [Updated for 2018]*. Tratto il giorno 05 2021 da clearrisk.com: https://www.clearrisk.com/risk-management-blog/bid/47395/the-risk-management-process-in-5-steps

Collins. (2021, 04 17). *Great Firewall definizione*. Tratto il giorno 04 2021 da collinsdictionary.com: https://www.collinsdictionary.com/it/dizionario/inglese/great-firewall

Confimprese. (2016). *Strumenti SIMEST a sostegno dello sviluppo delle Imprese Italiane sui mercati esteri.* Tratto il giorno 03 2021 da Confimprese: https://www.confimprese.it/wp-content/uploads/2018/06/Marco-Rosati-Simest.pdf

Corporate compliance insights. (2018, 06 25). *COSO, ISO31000 or Another ERM Framework?* Tratto il giorno 05 2021 da corporatecomplianceinsight.com: https://www.corporatecomplianceinsights.com/coso-iso-31000-or-another-erm-framework/

Corporate finance institute. (2021). *Currency risk-defintion and examples of currency risks*. Tratto il giorno 05 2021 da corporatefinanceinstitute.com: https://corporatefinanceinstitute.com/resources/knowledge/trading-investing/currency-risk/

Corporate Finance Institute. (2021). *Foreing exchange risk*. Tratto il giorno 05 2021 da corporatefinanceinstitute.com: https://corporatefinanceinstitute.com/resources/knowledge/finance/foreign-exchange-risk/

COSO. (2004, 09). *Enterprise Risk Management — Integrated Framework, executive summary.* Tratto il giorno 05 2021 da coso.org: https://www.coso.org/Documents/COSO-ERM-Executive-Summary.pdf

COSO. (2017, 06). *Enterprise Risk Management Integrating with Strategy and Performance.* Tratto il giorno 05 2021 da coso.org: https://www.coso.org/Documents/2017-COSO-ERM-Integrating-with-Strategy-and-Performance-Executive-Summary.pdf

COSO. (2017). *Enterprise Risk Management Integrating with Strategy and Performance.* Tratto il giorno 05 2021 da coso.org: https://www.coso.org/Documents/2017-COSO-ERM-Integrating-with-Strategy-and-Performance-Executive-Summary.pdf

COSO. (2017). *Guidance on Enterprise Risk Management*. Tratto il giorno 05 2021 da coso.org: https://www.coso.org/Pages/erm.aspx

COSO. (2021). *About Us*. Tratto il giorno 05 2021 da coso.org: https://www.coso.org/Pages/aboutus.aspx

Djordjevic, M. (2012). Potentials of internal auditing in enterprise risk management. *Facta Univeristatis series: Economic and organization, 9*(1), 125.

e-commerce Germany. (2021, 04 18). *17 leading marketplaces in Asia.* Tratto il giorno 04 2021 da ecommercegermany.com: https://ecommercegermany.com/blog/16-leading-marketplaces-asia#:~:text=Alibaba%20is%20the%20giant%20of,products%20across%2040%20different%20categories.

ERM inisghts by Carol. (2019, 4 08). *SO 31000 VS. COSO – COMPARING AND CONTRASTING THE WORLD'S LEADING RISK MANAGEMENT STANDARDS*. Tratto il giorno 05 2021 da erminsightsbycarol.com: https://www.erminsightsbycarol.com/iso-31000-vs-coso/

European Commission. (2021, 04 8). *SME definition*. Tratto il giorno 04 2021 da European Commission: https://ec.europa.eu/growth/smes/sme-definition_en

European Commission. (2021, 04 8). *SME definition*. Tratto il giorno 04 2021 da European Commission: https://ec.europa.eu/growth/smes/sme-definition_en

European Union Agency for Cyber Security. (2021). *Risk Treatment*. Tratto il giorno 05 2021 da enisa.europa.eu: https://www.enisa.europa.eu/topics/threat-risk-management/risk-management/current-risk/risk-management-inventory/rm-process/risk-treatment

Fintech ranking. (2017, 05 11). *What China Reveals About the Future of Shopping*. Tratto il giorno 04 2021 da fintechranking.com: https://fintechranking.com/2017/05/11/what-china-reveals-about-the-future-of-shopping/

Firsova, N., Vaghely, I., & Arcand, G. (2015). *Does cross cultural risk management create competitive advantage: a strategic perspective.* Tratto il giorno 05 2021 da researchgate.net: https://www.researchgate.net/publication/281319776_Does_cross_cultural_risk_management_create_competitive_advantage_a_strategic_perspective

Forbes. (2014, 09 22). *Alibaba Claims Title For Largest Global IPO Ever With Extra Share Sales*. Tratto il giorno 04 2021 da Forbes.com: https://www.forbes.com/sites/ryanmac/2014/09/22/alibaba-claims-title-for-largest-global-ipo-ever-with-extra-share-sales/?sh=3ff5e8dd8dcc

Forbes. (2021, 03 15). *Combating Gray-Market Activities And Protecting Your Brand (Part I): Challenges And Threats.* Tratto il giorno 06 2021 da forbes.com: https://www.forbes.com/sites/forbestechcouncil/2021/03/15/combating-gray-market-activities-and-protecting-your-brand-part-i-challenges-and-threats/?sh=2482f52a1071

Fornara, A., & Redaelli, R. (2012). *Risk management nelle PMI italiane: dallo scenario attuale ad un modello empirico.* Tratto il giorno 05 2021 da politesi.polimi.it:

https://www.politesi.polimi.it/bitstream/10589/70861/3/2012_12_Fornara_Redaelli_PDF.pdf

Harvard. (2018, 10 5). *The Financial Crisis 10 Years Later: Lessons Learned*. Tratto il giorno 05 2021 da corpgov.law.harvard.edu: https://corpgov.law.harvard.edu/2018/10/05/the-financial-crisis-10-years-later-lessons-learned/

Harvard Business review. (2006, 11). *Hedging Political Risk in China*. Tratto il giorno 05 2021 da hbr.org: https://hbr.org/2006/11/hedging-political-risk-in-china#:~:text=Domestic%20political%20unrest%20also%20poses,have%20all%20fueled%20social%20instability.

ICE . (2007). *L'Italia nell'economia internazionale Rapporto ICE 2006-2007*. Tratto da ICE: https://www.ice.it/it/repository/archivio_rapporti/Rapporto%20Ice%20-%202007.pdf

ICE. (2017, 11 30). *Guida digital export fashion & beauty*. Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/_u01_www_html_myiceit_releases_20180911131712_src_ServiziOnLineBundle_Resources_files_Guida_Digital_Export_Fashion%26Beauty_2.pdf

ICE. (2018). *投资意大利 天时地利人和 铸就绝佳机遇*. Tratto il giorno marzo 2021 da ICE: https://www.ice.it/en/sites/default/files/inline-files/invest_in_italy_chinese.pdf

ICE. (2018). *投资意大利 天时地利人和 铸就绝佳机遇*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/en/sites/default/files/inline-files/invest_in_italy_chinese.pdf

ICE. (2018). *在意大利经商 2018 投资指南*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/en/sites/default/files/inline-files/doing_business_chinese.pdf

ICE. (2018, 09 5). *ICE e Alibaba Group lanciano "helloITA" l'hub virtuale per portare le eccellenze e la cultura del Made in Italy in Cina*. Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/node/5392

ICE. (2020, 11 23). *B2B*. Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/ALIBABA/B2B

ICE. (2020, 11 23). *B2B-requisiti minimi*. Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/ALIBABA/B2B

ICE. (2020, 04 1). *Catalogo servizi ICE.* Tratto il giorno 03 2021 da ICE: https://www.ice.it/it/sites/default/files/inline-files/catalogo_servizi_ICE_13112020%2020x20%20per%20web.pdf

ICE. (2020, 06 18). *Firmato l'accordo tra l'agenzia ICE e Tencent IBG (WeChat) per promouvere le imprese italiane sul mercato cinese*. Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/node/6733

ICE. (2020, 11 23). *ICE e Alibaba Group lanciano il Made in Italy Pavilion per l'e-commerce B2B delle imprese italiane.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/node/6978

ICE. (2020, 11 23). *Strategie promozionali di agenzia ICE sui canali digitali.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Presentazione%20accordo%20ICE-Alibabacom.pdf

ICE. (2020, 11 23). *Strategie promozionali di agenzia ICE sui canali digitali.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Presentazione%20accordo%20ICE-Alibabacom.pdf

ICE. (2021). *CE al fianco delle aziende italiane sulle piattaforme e-commerce di Alibaba Group.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Circolare%20HelloITA%20II%20Edizione_regolamento_1.pdf

ICE. (2021). *Circolare HelloITA II Edizione_regolamento_1.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Circolare%20HelloITA%20II%20Edizione_regolamento_1.pdf

ICE. (2021). *Circolare HelloITA II Edizione_regolamento_1.* Tratto il giorno 04 2021 da ice.it: https://www.ice.it/it/sites/default/files/inline-files/Circolare%20HelloITA%20II%20Edizione_regolamento_1.pdf

ICE. (2021, 03 24). *Find your Italian partner*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/en/my-home/find-your-italian-partner

ICE. (2021, 03 24). *Investment guide*. Tratto il giorno marzo 2021 da ICE: https://www.ice.it/en/index.php/investment-guide

ICE. (2021, 03 22). *organigramma*. Tratto il giorno 03 2021 da Agenzia ICE: https://www.ice.it/it/chi-siamo/struttura-organizzativa/organigramma#

ICE. (2021, 03 22). *Presidente*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/en/about-us/president

ICE. (2021, 03 23). *Servizi ICE*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/it/servizi

ICE. (2021, 03 23). *Servizi ICE*. Tratto il giorno 03 2021 da ICE: https://www.ice.it/it/servizi

Il Post. (2020, 11 13). *Com'è fallita la quotazione in borsa di Ant, la più grande di sempre*. Tratto il giorno 04 2021 da Il Post: https://www.ilpost.it/2020/11/13/ant-alibaba-jack-ma-quotazione/

Il Post. (2021, 03 14). *La Cina sta accelerando con lo yuan elettronico*. Tratto il giorno 05 2021 da ilpost.it: https://www.ilpost.it/2021/03/14/moneta-digitale-cinese-yuan-elettronico/

Il sole 24 ore . (2020, 12 21). *Cina e Usa rilanciano il made in Italy*. Tratto da Il sole 24ore: https://www.ilsole24ore.com/art/cina-e-usa-rilanciano-made-italy-ADOkzW9?refresh_ce=1

Il Sole 24 ore. (2017, 1 13). *A 10 anni dalla crisi il mondo è ripartito, l'Italia resta in affanno*. Tratto il giorno 03 2020 da Il Sole 24 ore: https://www.ilsole24ore.com/art/a-10-anni-crisi-mondo-e-ripartito-l-italia-resta-affanno-ADOf7hWC

Il Sole 24 ore. (2017, 10 13). *Perché si parla tanto di industria 4.0: che cos'è e quanti lavori può creare*. (A. Magnani, Produttore) Tratto il giorno marzo 2021 da Il Sole 24 ore: https://www.ilsole24ore.com/art/perche-si-parla-tanto-industria-40-che-cos-e-e-quanti-lavori-puo-creare-AEZYmnlC

Il Sole 24 ore. (2020, 06 27). *Alibaba, la corsa delle Pmi verso l'e-commerce.* Tratto il giorno 06 2021 da ilsole24ore.com: https://www.ilsole24ore.com/art/alibaba-corsa-pmi-l-e-commerce-ADyDDna

Il Sole 24 ore. (2021, 04 10). *Cina, maxi-multa da 2,8 miliardi di dollari ad Alibaba.* Tratto il giorno 06 2021 da ilsole24ore.com: https://www.ilsole24ore.com/art/cina-maxi-multa-28-miliardi-dollari-ad-alibaba-ADjGZlWB

Industria Italiana. (2020, 06 14). *Alibaba, l'Amazon cinese alla conquista del b2b italiano.* Tratto il giorno 04 2021 da industriaitalian.it: https://www.industriaitaliana.it/alibaba-e-commerce-amazon-manifattura-italian-pavillon-jack-ma-cina/

ISO. (2016, 1 18). *NEW HANDBOOK HELPS SMES BETTER MANAGE RISKS*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/news/2016/01/Ref2034.html

ISO. (2018). *https://www.clearrisk.com/risk-management-blog/bid/47395/the-risk-management-process-in-5-steps*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018 (en) Risk Management Guidelines.* Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui/#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines*. Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines.* Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISO. (2018). *ISO31000:2018(en) Risk management — Guidelines.* Tratto il giorno 05 2021 da iso.org: https://www.iso.org/obp/ui#iso:std:iso:31000:ed-2:v1:en

ISTAT. (2020, 03 07). *Censimento permanente delle imprese 2019*. Tratto il giorno 04 2021 da ISTAT: https://www.istat.it/it/archivio/238337

Jing Daily. (2019, 06 23). *Alibaba's Fight Against Counterfeits: Where Are We Now?* Tratto il giorno 06 2021 da jingdaily.com: https://jingdaily.com/alibaba-fight-against-counterfeits-where-are-we-now/

Jing Daily. (2020, 01 21). *Trends in Digital Marketing in China.* Tratto il giorno 06 2021 da jingdaily.com: https://jingdaily.com/trends-in-digital-marketing-in-china/

Luiss Guido Carli. (2013). *Political risks: concepts, definitions, challenges.* Tratto il giorno 05 2021 da sog.luiss.it:

https://sog.luiss.it/sites/sog.luiss.it/files/SOG%20Working%20Papers%20Sottilotta%20ISSN_0.pdf

Lundqvist, S. A. (2015). Why firms implement risk governance – Stepping beyond traditional risk management to enterprise risk management. *Journal of account public policy*(34), 443.

Macrotrends. (2020, 12). *Stock comparison tool macrotrends.* Tratto il giorno 04 2021 da macrotrends.net: https://www.macrotrends.net/stocks/stock-comparison?s=net-profit-margin&axis=multiple&comp=AMZN:BABA

Ministero degli Affari Esteri della Cooperazione Internazionale. (2021, 04 1). *Export.gov.it.* Tratto il giorno 04 2021 da Ministero degli Affari Esteri e della Cooperazione: https://export.gov.it/iniziativa/Benvenuto-su-exportgovit

Ministero degli Affari Esteri e della Cooperazione Internazionale Notification Menu utente anonimo. (2021, 04 1). *Export.gov.* Tratto il giorno 4 2021 da Ministero degli Affari Esteri e della Cooperazione Internazionale Notification Menu utente anonimo: https://export.gov.it/iniziativa/Benvenuto-su-exportgovit

Ministero del lavoro e delle politiche sociali. (2021, 05). *Smart working*. Tratto il giorno 05 2021 da lavoro.gov.it: https://www.lavoro.gov.it/strumenti-e-servizi/smart-working/Pagine/default.aspx

Ministero dello sviluppo economico. (2017). *Piano nazionale industria 4.0*. Tratto il giorno marzo 2021 da Ministero dello svluppo economico: https://www.mise.gov.it/images/stories/documenti/Piano_Industria_40.pdf

Ministry of Finance of the People's Republic of China. (2020, 12 23). *为支持构建新发展格局 2021 年 1 月 1 日起我国调整部分商品进口关税*. Tratto da 中华人民共和国财政部: http://gss.mof.gov.cn/gzdt/zhengcejiedu/202012/t20201223_3636578.htm

Mondaq. (2017, 10 10). *Traditional Risk Management vs Enterprise Risk Management: Which Approach Is The Best Choice For Your Company?* Tratto il giorno 05 2021 da mondaq.com: https://www.mondaq.com/unitedstates/securities/636120/traditional-risk-management-vs-enterprise-risk-management-which-approach-is-the-best-choice-for-your-company

Mondaq. (2021, 05 24). *China: China Released White Paper On IP Protection In 2020*. Tratto il giorno 05 2021 da mondaq.com: https://www.mondaq.com/china/trademark/1071862/china-released-white-paper-on-ip-protection-in-2020

National Bureau of statistic of China. (2020, 1 17). *National Economy was Generally Stable in 2019 with Main Projected Targets for Development Achieved*. Tratto da National Bureau of statistic of China, press relaese : http://www.stats.gov.cn/english/PressRelease/202001/t20200117_1723398.html#:~:text=According%20to%20the%20preliminary%20estimates,6%20percent%20to%206.5%20percent.

National Bureau of statistics of China . (2021, 02 28). *Statistical Communiqué of the People's Republic of China on the 2020 National Economic and Social Development*. Tratto da National Bureau of Statistic of China : http://www.stats.gov.cn/english/PressRelease/202102/t20210228_1814177.html

Nikkei Asia. (2017, 09 21). *As Alibaba and Tencent swell, so does their political risk*. Tratto il giorno 06 2021 da asia.nikkei.com: https://asia.nikkei.com/Business/As-Alibaba-and-Tencent-swell-so-does-their-political-risk2

Nordeatrade. (2021). *The economic context of Italy*. Tratto da Nordeatrade.com: https://www.nordeatrade.com/en/explore-new-market/italy/economical-context?vider_sticky=oui

NYSE. (2014, 09 19). *Alibaba IPO: the biggest IPO in history*. Tratto il giorno 04 2021 da NYSE.com: https://www.nyse.com/network/article/Alibaba-Lists-on-the-NYSE#:~:text=On%20September%2019th%2C%202014%20history,global%20nature%20of%20capital%20markets.

OECD. (2021). *Glossary for Barriers to SME Access to International Markets*. Tratto il giorno 05 2021 da oecd.org: https://www.oecd.org/cfe/smes/glossaryforbarrierstosmeaccesstointernationalmarkets.htm

OECD. (2021). *Glossary for Barriers to SME Access to International Markets*. Tratto il giorno 05 2021 da oecd.org: https://www.oecd.org/cfe/smes/glossaryforbarrierstosmeaccesstointernationalmarkets.htm

OECD. (2021). *Glossary for Barriers to SME Access to International Markets*. Tratto il giorno 05 2021 da oecd.org: https://www.oecd.org/cfe/smes/glossaryforbarrierstosmeaccesstointernationalmarkets.htm

OECD. (2021). *Glossary for Barriers to SME Access to International Markets*. Tratto il giorno 05 2021 da oecd.org: https://www.oecd.org/cfe/smes/glossaryforbarrierstosmeaccesstointernationalmarkets.htm

OECD. (2021). *Glossary for Barriers to SME Access to International Markets*. Tratto il giorno 05 2021 da oecd.org: https://www.oecd.org/cfe/smes/glossaryforbarrierstosmeaccesstointernationalmarkets.htm

Osservatorio economico. (2021, 05 19). *InfoMercatiEsteri.* Tratto il giorno 05 2021 da infomercatiesteri.it: https://www.infomercatiesteri.it/presenza_italiana.php?id_paesi=122

Osservatorio economico. (2021). *Rischi operativi Cina*. Tratto il giorno 05 2021 da infomercatiesteri.com: https://www.infomercatiesteri.it/rischi_operativi.php?id_paesi=122#

Project Management Institute. (2008). *Risk analysis and management*. Tratto il giorno 05 2021 da pmi.org: https://www.pmi.org/learning/library/risk-analysis-project-management-7070

Punto sicuro. (2015, 05 19). *La norma UNI ISO31000: gestione del rischio, principi e linee guida*. Tratto il giorno 05 2021 da puntosicuro.it: https://www.puntosicuro.it/sicurezza-sul-lavoro-C-1/tipologie-di-contenuto-C-6/valutazione-dei-rischi-C-59/la-norma-uni-iso-31000-gestione-del-rischio-principi-linee-guida-AR-14868/

Reuters. (2014, 10 16). *Alibaba affiliate Alipay rebranded Ant in new financial services push*. Tratto il giorno 04 2021 da Reuters: https://www.reuters.com/article/us-china-alibaba-idUSKCN0I50KJ20141016

Risk management 360. (2020, 04 10). *Smart working tra policy interne, risk management e tutela dei dati*. Tratto il giorno 05 2021 da riskmanagement360.it: https://www.riskmanagement360.it/analisti-ed-esperti/smart-working-tra-policy-interne-risk-management-e-tutela-dei-dati/

SACE. (2021, 03 30). *SACE BT*. Tratto il giorno 03 2021 da SACE: https://www.sacebt.it/?_ga=2.139175987.1883410277.1617026322-1833172540.1616865572

SACE. (2021, 03 31). *SACE Education to export*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/soluzioni/dettaglio-categoria/dettaglio-prodotto/education-to-export

SACE. (2021, 03 30). *SACE export up*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/soluzioni/dettaglio-categoria/dettaglio-prodotto/assicurazione-del-credito

SACE. (2021, 03 30). *SACE Fct*. Tratto il giorno 03 2021 da SACE: https://www.sacefct.it/?_ga=2.101352321.1883410277.1617026322-1833172540.1616865572

SACE. (2021, 03 29). *SACE governance*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/sace

SACE. (2021, 03 29). *SACE governance*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/sace

SACE. (2021, 03 30). *SACE soluzioni*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/soluzioni

SACE. (2021, 03 28). *SACE storia*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/chi-siamo/la-storia

SACE. (2021, 03 28). *SACE storia*. Tratto il giorno 03 2021 da SACE: https://www.sace.it/chi-siamo/la-storia

SIMEST. (2021, 03 31). *SACE - SIMEST soluzioni*. Tratto il giorno 03 2021 da SIMEST: https://www.simest.it/soluzioni

SIMEST. (2021, 03 29). *SIMEST chi siamo*. Tratto il giorno 03 2021 da SIMEST: https://www.simest.it/chi-siamo

SIMEST. (2021, 03 29). *SIMEST governance*. Tratto il giorno 03 2021 da SIMEST: https://www.simest.it/chi-siamo/corporate-governance

SIMEST. (2021, 03 29). *SIMEST governance* . Tratto da SIMEST: https://www.simest.it/chi-siamo/corporate-governance

Statista . (2018). *Luxury goods market in China statista dossier* . Tratto da Statista : https://www.dropbox.com/sh/j78yjopez8ob893/AADPWhqa7eQE3D00Dau_Bzy0a?dl=0&preview=study_id12397_luxury-goods-market-in-china-statista-dossier.pdf

Statista . (2021). *Distribution of gross domestic product (GDP) across economic sectors in Italy 2019 Published by H. Plecher, Nov 18, 2020 This statistic shows the distribution of the gross domestic product (GDP) across economic sectors in Italy from 2009 to 2019. In 2019*. Tratto da Statista.com :

https://www.statista.com/statistics/270481/distribution-of-gross-domestic-product-gdp-across-economic-sectors-in-italy/

Statista . (2021, 3 14). *Import value of Italian food products to China between 2007 and 2018*. Tratto da Statista : https://www.statista.com/statistics/777031/china-food-imports-from-italy/

Statista. (2021, 04 12). *Annual revenue of Alibaba Group from financial year 2010 to 2020*. Tratto il giorno 04 2021 da Statista.com: https://www.statista.com/statistics/225614/net-revenue-of-alibaba/

The Passage. (2018, 10 25). *JD.com eyes B2B market to sustain growth.* Tratto il giorno 04 2021 da thepassage.cc: https://thepassage.cc/article/588

Thomson reuters practical law. (2021, 04 1). *Litigation and enforcement in China: overview*. Tratto il giorno 05 2021 da https://uk.practicallaw.thomsonreuters.com/: https://uk.practicallaw.thomsonreuters.com/8-502-1965?transitionType=Default&contextData=(sc.Default)&firstPage=true

Torfox Stanford. (2011, 06 1). *Great Firewall China Torfox*. Tratto il giorno 04 2021 da cs.stanford.edu: https://cs.stanford.edu/people/eroberts/cs201/projects/2010-11/FreedomOfInformationChina/category/great-firewall-of-china/index.html

Treccani. (2021, 03 28). *SACE*. Tratto il giorno 03 2021 da Treccani: https://www.treccani.it/enciclopedia/sace/

Treccani. (2021, 03 28). *SACE*. Tratto il giorno 03 2021 da Treccani: https://www.treccani.it/enciclopedia/sace/

Wired. (2018, 11 22). *Che cosa è successo tra Dolce & Gabbana e la Cina*. Tratto il giorno 05 2021 da wired.it: https://www.wired.it/attualita/media/2018/11/22/dolce-gabbana-cina-video-polemiche/?refresh_ce=

Workman, D. (2020, 3 20). *Italy's top trading partners* . Tratto da World's top exports: http://www.worldstopexports.com/italys-top-import-partners/

Xinhua. (2020, 04 01). *Xinhua Headlines: China lifts foreign ownership limits on securities, fund management firms*. Tratto il giorno 05 2021 da xinhuanet.com: http://www.xinhuanet.com/english/2020-04/01/c_138938273.htm

Xinhua net . (2020, 4 7). *阿里巴巴重启"春雷计划"助中小企业数字化突围*. Tratto da xinhuanet.com: http://www.xinhuanet.com/2020-04/07/c_1125823045.htm

Bibliography

Cavusgil, S. R. (2014). *International business: the new realities.* Melbourne: Pearson Australia .

Giappichelli. (2017). Introduzione. In Z. Claudia, *Enterprise Risk Management* (Vol. I, p. 6). Torino: Giappichelli.

Messetti, G. (2020). *Nella testa del dragone* (Vol. 1). Milano, MI, Italia: Mondadori.

Murray, J. Y., & Fu, F. Q. (2016). Strategic guanxi orientation: How to manage distribution channels in China? Author links open overlay panel. *Journal of international management, 22*(1), 1.