

MARKETING STRATEGIES OF CHINESE AUTOMOBILE BRANDS IN INTERNATIONAL MARKETS: CASE STUDY OF BYD AND GEELY

Aziz Kurbanovich Abdullaev

Acting Associate Professor,

Department of International Finance and Investment

University of World Economy and Diplomacy

e-mail: aabdullayev@uwed.uz

<https://orcid.org/0000-0002-4888-1068>

Ganiev Zafarbek

Student of Foreign economic activity at

University of World Economy and Diplomacy

Email: ganiyevzafarbek75@gmail.com

<https://orcid.org/0000-0001-8053-7876>

Sheralikhon Kholmuminov

Student of Foreign economic activity at

University of World Economy and Diplomacy

Email: sheralikhonkholmuminov@gmail.com

<https://orcid.org/0009-0004-0180-2993>

Abstract

This study examines the international marketing strategies of leading Chinese automotive brands, with a focus on BYD and Geely. The research investigates how these firms achieve global competitiveness by balancing standardization and localization, leveraging technological innovation, and navigating institutional environments. Utilizing a qualitative comparative case study approach, the paper analyzes vehicle sales, financial performance, new energy vehicle (NEV) penetration, and regional engagement to evaluate marketing effectiveness. Findings indicate that BYD emphasizes sustainability and technological leadership through product differentiation and digital marketing, while Geely leverages brand diversification, strategic acquisitions, and localized operations to strengthen market presence. Both companies adopt hybrid strategies that combine global brand consistency with market-specific adaptation, supported by China's industrial policies and institutional frameworks. The study demonstrates that the successful internationalization of Chinese automotive firms depends on integrating firm-specific capabilities, institutional support, and tailored marketing strategies. The paper contributes to international marketing literature by providing a comparative analysis of emerging-market multinational enterprises in the automotive sector and offers practical insights for firms aiming to expand in heterogeneous global markets.

Keywords:

Chinese automotive industry, international marketing strategies, BYD, Geely, standardization vs. adaptation, new energy vehicles, emerging-market multinational enterprises, global expansion, sustainability marketing, institutional support



1. Introduction

1.1 Background and Context

In recent decades, the global automotive industry has undergone a profound transformation driven by technological innovation, environmental concerns, and shifting consumer preferences. One of the most significant developments has been the rapid emergence of Chinese automobile manufacturers as influential players in international markets. Companies such as BYD and Geely have transitioned from domestically focused producers to globally competitive brands, expanding their presence across Europe, Asia, Latin America, and other regions. The auto industry in China has developed with no exception. China is a dominant producer of making electro mobiles and hybrid plug in cars. There are hundreds of auto companies in China and their sales both inner and outside of the country is rising. Chinese cars are seen as one of the best choice for many reasons, for example their full equipped technology, cost effectiveness and so on. Geely, BYD are the most produced cars with former reaching 3.02 million¹ and the latter 4.8 million². In the following essay it is dedicated to understand what kind of marketing strategies are applied by those two companies and what kind of impacts do they create?

This expansion is largely supported by China's strong industrial policy, economies of scale, and advancements in electric vehicle (EV) technology. In particular, BYD has become a global leader in EV production, leveraging innovation and sustainability positioning, while Geely has pursued internationalization through strategic acquisitions and brand diversification, including its ownership of Volvo. As a result, Chinese automotive firms are no longer competing solely on price but increasingly on quality, technology, and brand value.

At the same time, the internationalization of these firms occurs in a highly complex and competitive environment. Global automotive markets are characterized by strict regulatory frameworks, diverse consumer preferences, and strong competition from established Western and Japanese manufacturers. Consequently, the success of Chinese brands depends not only on production efficiency but also on the effectiveness of their international marketing strategies.

1.2 Problem Statement

Despite the growing importance of Chinese automotive companies in global markets, there remains a limited understanding of how these firms design and implement marketing strategies across different international contexts. Existing international marketing literature has traditionally focused on multinational corporations from developed economies, leaving a significant research gap regarding emerging-market firms, particularly from China.

Moreover, Chinese automobile brands face unique challenges in international markets, including negative country-of-origin perceptions, cultural differences, and geopolitical tensions. These challenges require firms to carefully balance global standardization with local adaptation, yet the mechanisms through which they achieve this balance are insufficiently explored in current academic research.

1.3 Research Objective

The primary objective of this study is to analyze the international marketing strategies of Chinese automobile brands, with a specific focus on BYD and Geely as representative case studies. The study aims to examine how these companies adapt their marketing approaches to diverse international environments while maintaining global competitiveness.

¹ <https://www.geely.com/en/news/2026/geely-auto-sales-2025>

² <https://www.best-selling-cars.com/brands/2025-full-year-global-byd-worldwide-car-sales-and-production-data/>



More specifically, the study seeks to:

- Identify key marketing strategies employed by BYD and Geely in international markets
- Evaluate the extent of standardization versus localization in their strategies
- Analyze the role of innovation, branding, and partnerships in their global expansion

1.4 Research Questions

To achieve the stated objectives, the study addresses the following research questions:

1. What international marketing strategies are employed by BYD and Geely in foreign markets?
2. How do these companies balance global standardization and local adaptation?
3. What are the main challenges and success factors influencing their international marketing performance?

1.5 Literature review

Theoretical discussions in international marketing have long emphasized the tension between standardization and adaptation (Levitt, 1983). While standardization allows firms to achieve economies of scale and maintain consistent brand identity, adaptation enables them to respond to local cultural, economic, and regulatory conditions (Kotler & Keller, 2016).

Recent studies highlight that emerging-market multinational enterprises (EMNEs), particularly from China, follow distinct internationalization paths compared to traditional Western firms. According to Li (2021), Chinese firms often rely on cost advantages, government support, and rapid innovation to penetrate global markets. Furthermore, research by Wang (2020) suggests that localization strategies, including adaptation of branding and communication, are critical for overcoming cultural barriers and improving consumer acceptance.

In the context of the automotive industry, recent reports (McKinsey, 2023; Deloitte, 2022) indicate that electric vehicles and digitalization are reshaping global competition, providing new opportunities for latecomer firms such as BYD and Geely. However, despite these insights, there is still a lack of in-depth comparative analysis focusing specifically on the marketing strategies of Chinese automotive brands in international markets.

1.5.1 Marketing Strategies of BYD in Domestic and International Contexts

A growing body of literature has examined the marketing strategies of BYD, particularly within the framework of the marketing mix (4Ps/7Ps), technological innovation, and sustainability positioning. Chinese scholars emphasize that BYD's success in the domestic market is largely driven by accurate brand positioning, cost leadership, and technological innovation, supported by strong government policies promoting new energy vehicles (Wang, 2025). Specifically, BYD integrates product innovation (battery technology), competitive pricing, and an omnichannel distribution **system**, which includes both online and offline sales platforms.

From a strategic marketing perspective, BYD's domestic approach reflects a market penetration strategy, focusing on affordability and mass-market adoption. Studies using SWOT and PEST frameworks further indicate that BYD leverages its strengths in R&D and vertical integration while addressing weaknesses such as limited premium brand perception and service quality challenges (Xie, 2024; Yang, 2025).

In contrast, international marketing research highlights that BYD adopts a differentiated global strategy, emphasizing sustainability and innovation. According to Hong et al. (2023), BYD's overseas expansion relies on adapting the 4P framework to local market



conditions, including price competitiveness, localized distribution channels, and targeted promotional campaigns.

Furthermore, recent studies underline that BYD's globalization strategy involves strategic partnerships, participation in international exhibitions, and establishment of overseas production bases, enabling the company to enhance brand visibility and reduce market entry barriers (You, 2024).

Western scholars complement these findings by emphasizing BYD's digital transformation and ecosystem-based marketing strategy, which integrates energy solutions, mobility services, and smart technologies. This approach allows BYD to position itself not only as an automobile manufacturer but also as a provider of sustainable mobility solutions (Smith, 2023).

Recent studies suggest that modern multinational enterprises (MNEs) increasingly adopt **hybrid strategies**, combining elements of standardization and adaptation. These strategies are particularly relevant in industries characterized by rapid technological change, such as the automotive sector. According to recent industry analyses, firms must simultaneously ensure global efficiency while maintaining responsiveness to local market conditions, including regulatory frameworks and consumer behavior.

Moreover, digitalization has transformed international marketing practices. Research on cross-cultural digital communication highlights that firms must tailor their messaging to align with cultural values and consumer expectations in different markets. For example, comparative studies of global brands show that communication strategies differ significantly depending on cultural dimensions such as uncertainty avoidance and individualism. This suggests that marketing strategies are no longer limited to product adaptation but also include **localized communication and branding**.

1.5.2 Emerging Market Multinationals and Competitive Advantage

The rise of emerging market multinationals (EMNEs) has introduced new dynamics into international marketing theory, challenging traditional perspectives that have historically focused on firms from developed economies. Unlike Western multinational corporations, EMNEs often rely on **cost advantages, accelerated innovation cycles, and flexible organizational structures** to compete in global markets (Luo & Tung, 2007; Mathews, 2006). These firms frequently adopt unconventional internationalization strategies, including rapid expansion and strategic asset-seeking, to overcome latecomer disadvantages.

Chinese automotive companies represent a prominent example of this trend. Supported by a large domestic market, proactive industrial policies, and increasing investments in research and development, these firms have significantly enhanced their global competitiveness (Child & Rodrigues, 2005; Buckley et al., 2017). In particular, government support in the form of subsidies, infrastructure development, and innovation incentives has played a crucial role in accelerating the international expansion of Chinese automobile manufacturers (Liu & Dicken, 2006).

Recent empirical studies suggest that Chinese automotive brands have made substantial progress in improving **product quality, technological innovation, and global market presence** (Li, 2021; Zhang & Zhao, 2022). However, despite these advancements, they continue to face significant challenges related to **brand image, perceived quality, and consumer trust** in foreign markets (Magnusson et al., 2014; Wang et al., 2023). These challenges are particularly pronounced in developed markets, where established brands benefit

from stronger reputations and customer loyalty. Consequently, effective international marketing strategies—especially those focused on branding, communication, and customer engagement—are essential for overcoming negative perceptions and building long-term credibility.

Furthermore, sustainability and environmental considerations have emerged as critical drivers of competitive advantage in the global automotive industry. The transition toward low-carbon mobility and the rapid growth of the electric vehicle (EV) market have created new opportunities for firms that can align their products and branding with environmental values (Deloitte, 2022; McKinsey & Company, 2023). In this context, companies such as BYD have gained a competitive edge by focusing on new energy vehicles and positioning themselves as leaders in sustainable innovation. BYD's marketing strategy emphasizes environmental responsibility, technological advancement, and energy efficiency, which resonate strongly with global trends toward sustainability (He et al., 2023).

At the same time, the intensification of competition in the EV sector has increased the importance of **innovation-led marketing strategies**, where firms compete not only on price but also on technological differentiation, brand value, and customer experience (Porter & Heppelmann, 2014; Li et al., 2022). This shift reflects a broader transformation in international marketing, where competitive advantage is increasingly derived from the integration of innovation, sustainability, and global brand positioning.

1.5.3 Internationalization Strategies of Chinese Automotive Firms

The internationalization of Chinese automotive firms has attracted significant scholarly attention in recent years, particularly in relation to **strategic expansion, market entry modes, and global competitiveness**. Firms such as Geely have adopted aggressive internationalization strategies, including **cross-border mergers and acquisitions (M&A)**, to overcome latecomer disadvantages and gain access to advanced technologies, managerial expertise, and established brand equity (Luo & Tung, 2007; Buckley et al., 2017). A prominent example is Geely's acquisition of Volvo in 2010, which is widely regarded as a turning point in its global expansion. This acquisition enabled Geely to significantly enhance its technological capabilities, improve product quality, and strengthen its global brand image, thereby facilitating its entry into higher-value market segments (Alon et al., 2018; Nair & Leng, 2020). Moreover, scholars argue that such strategic asset-seeking behavior reflects a broader pattern among emerging market firms aiming to accelerate internationalization through **strategic capability upgrading** (Mathews, 2006).

In contrast, BYD has pursued a markedly different internationalization strategy, emphasizing **organic growth, technological leadership, and innovation-driven expansion**, particularly in the electric vehicle (EV) segment. Empirical studies indicate that BYD's success in international markets is largely attributed to its substantial investments in research and development (R&D), strong cost advantages, and a highly **vertically integrated production system**, especially in battery technology (Li, 2021; He et al., 2023). This integrated model allows BYD to maintain competitive pricing while simultaneously delivering technologically advanced and environmentally sustainable products. As a result, BYD has positioned itself as a global leader in new energy vehicles, aligning its marketing strategy with the growing global demand for sustainable mobility solutions (Deloitte, 2022).

1.5.4 Role of Government Policy and Institutional Environment

Government policy plays a crucial role in shaping the international competitiveness of Chinese automotive firms, particularly in the context of innovation-driven industries such as electric vehicles (EVs). A substantial body of literature emphasizes that China's industrial policies have actively supported the development of domestic automotive companies through **subsidies, tax incentives, infrastructure investment, and long-term strategic planning** (Naughton, 2021; Kennedy, 2018). These policies have been especially significant in the new energy vehicle (NEV) sector, where government intervention has accelerated technological innovation, strengthened supply chains, and facilitated large-scale production (Zhang & Bai, 2022).

Scholars argue that such institutional support has enabled firms like BYD and Geely to achieve rapid growth and expand into international markets. For instance, state-backed initiatives promoting battery technology, charging infrastructure, and research and development (R&D) have enhanced the global competitiveness of Chinese EV manufacturers (Liu & Kokko, 2023). Furthermore, the integration of industrial policy with environmental objectives—such as carbon neutrality targets—has allowed Chinese firms to align their marketing strategies with global sustainability trends, thereby strengthening their international positioning (IEA, 2023).

At the same time, the institutional environment extends beyond the domestic context, as firms must navigate complex and often heterogeneous regulatory frameworks in foreign markets. These include **tariffs, trade restrictions, environmental standards, safety regulations, and certification requirements**, which vary significantly across regions (North, 1990; Peng, Wang, & Jiang, 2008). Such institutional differences create both challenges and opportunities for internationalizing firms. For example, stricter environmental regulations in the European Union can act as barriers to entry but also provide opportunities for technologically advanced firms to differentiate themselves through high-quality and sustainable products.

1.5.5 Research Gap

Despite the growing body of literature on Chinese automotive firms and international marketing, several gaps remain. First, existing studies often focus on either **macro-level industry analysis** or **single-company case studies**, without providing a comparative perspective. Second, there is limited research integrating **marketing strategy with internationalization processes**, particularly in the context of emerging market firms. Most importantly, there is a lack of comprehensive studies comparing leading Chinese automotive brands such as BYD and Geely in terms of their international marketing strategies. This study addresses this gap by conducting a **comparative analysis**, providing insights into how different strategic approaches influence global competitiveness.

1.6 Structure of the Paper

The structure of this paper is organized as follows:

Section 2 outlines the research methodology and analytical framework. Section 3 presents the results of the comparative analysis of BYD and Geely. Section 4 discusses the findings in relation to international marketing theory and highlights key implications. Finally, Section 5 concludes the study and suggests directions for future research, while Section 6 emphasizes limitations and policy recommendations.

Section 2



2. Research Methodology

2.1 Research Design

This study adopts a **qualitative comparative case study design** to analyze the international marketing strategies of Chinese automobile brands, specifically BYD and Geely. The case study method enables an in-depth exploration of strategic behavior within real-world contexts, making it particularly suitable for examining complex phenomena such as international market entry, branding, and adaptation strategies.

The methodological foundation of the case study approach can be traced to the work of Robert K. Yin, who emphasized its relevance for answering “how” and “why” questions in contemporary settings. Additionally, Kathleen M. Eisenhardt highlighted the importance of multiple-case studies in building theory through comparative analysis.

The comparative aspect of this research allows for:

- Identification of **similarities and differences** in strategic approaches
- Cross-case validation of findings
- Enhanced analytical rigor and theoretical contribution

This design is widely used in studies of **emerging market multinational enterprises (EMNEs)**, particularly where context-specific strategies play a crucial role.

2.2 Research Approach

The study primarily follows an **inductive research approach**, aiming to generate insights from empirical data rather than testing predetermined hypotheses. This is appropriate given the **exploratory nature** of the research and the evolving role of Chinese automotive firms in global markets.

At the same time, the study integrates elements of **deductive reasoning** by applying established theoretical frameworks to interpret findings. This combination creates a **hybrid approach**, ensuring both empirical richness and theoretical grounding.

Theoretical Foundations

The analysis is guided by the following frameworks:

- **Standardization vs. Adaptation Theory**
- Examines whether firms adopt global uniform strategies or tailor their marketing to local markets.
- **Institutional Theory**
- Explains how regulatory, cultural, and normative environments influence firm behavior in international markets.
- **Resource-Based View (RBV)**
- Focuses on firm-specific capabilities (e.g., technology, brand, innovation) as sources of competitive advantage.

2.3 Conceptual Framework

The conceptual framework integrates the above theories to explain how international marketing strategies are formed.

Conceptual Framework of the Study

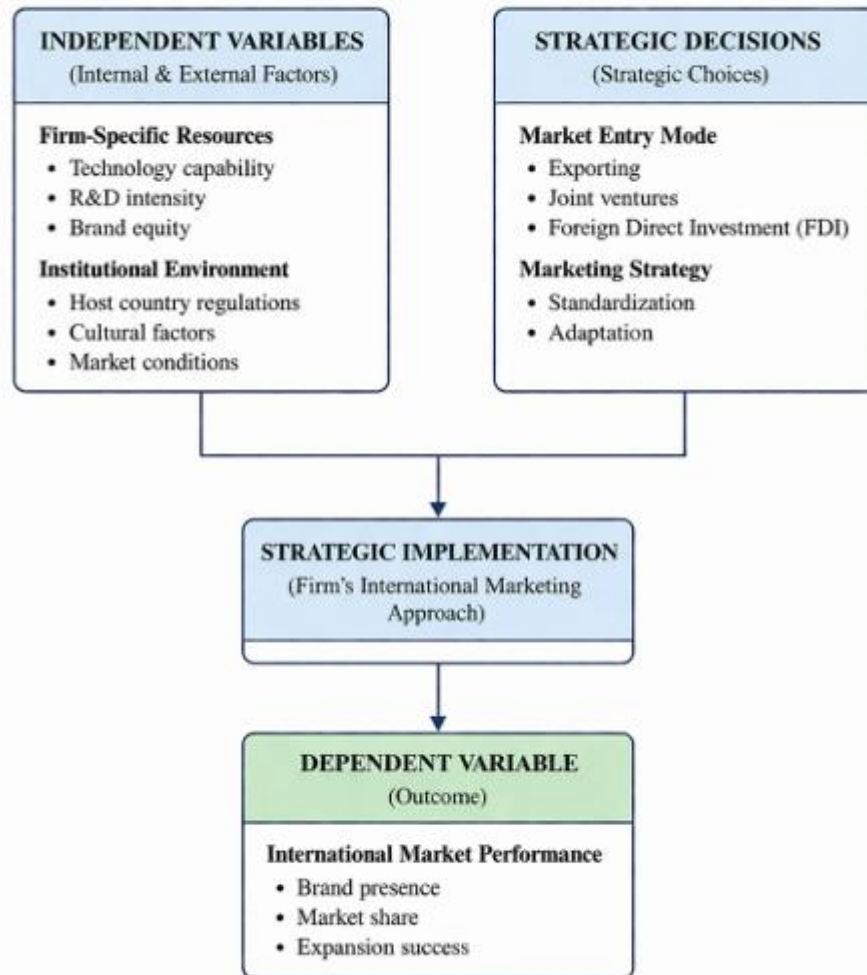


Figure 1. Conceptual Framework of the Study

Made by an author

The conceptual framework presented in Figure 1 illustrates the relationship between internal and external determinants of firm behavior and the resulting international marketing performance of Chinese automobile brands, specifically BYD and Geely.

The framework is grounded in the **Resource-Based View (RBV)** and **Institutional Theory**, which together explain how both firm-specific capabilities and environmental conditions shape strategic decisions. Firm-specific resources—such as technological capability, R&D intensity, and brand equity—represent the internal strengths that enable companies to compete in international markets. At the same time, the institutional environment, including host country regulations, cultural differences, and market conditions, imposes external constraints and opportunities that firms must navigate.

These independent variables directly influence the firm's **strategic decisions**, particularly in terms of market entry modes and marketing strategies. The choice between

exporting, joint ventures, or foreign direct investment reflects the firm's risk tolerance, resource availability, and long-term strategic objectives. Similarly, the decision to standardize or adapt marketing strategies highlights the firm's response to global integration pressures versus local responsiveness.

The framework further introduces **strategic implementation** as a mediating stage, emphasizing that the effectiveness of strategic choices depends on how well they are executed in practice. This stage reflects the firm's overall international marketing approach and operational capabilities.

Ultimately, these strategic processes determine the **dependent variable**, namely international market performance. Performance is evaluated through indicators such as brand presence, market share, and the success of international expansion.

The comparative case study of BYD and Geely demonstrates how two leading Chinese automotive firms employ distinct but complementary international marketing strategies to achieve global expansion. This section synthesizes findings in light of the research objectives, addressing (1) the specific strategies used by BYD and Geely in international markets; (2) how they balance globalization and localization; and (3) the key challenges and success factors influencing their international marketing performance.

3. Data Collection and Statistical Profile of BYD and Geely

3.1 Sales Performance and Market Expansion

3.1.1 BYD Sales Growth and Global Position

BYD has demonstrated not only rapid quantitative growth but also a **structural transformation in its market positioning**, driven primarily by its dominance in the new energy vehicle (NEV) segment. The company's total global sales of approximately 4.6 million vehicles in 2025 reflect not merely scale expansion but also the effectiveness of its **vertically integrated business model**, which includes in-house battery production, semiconductor development, and vehicle manufacturing. This integration enables cost efficiency and supply chain resilience, providing BYD with a significant competitive advantage over traditional automakers.

A key driver of this performance is the company's leadership in battery electric vehicles (BEVs), with 2.26 million units delivered in 2025. This figure underscores BYD's ability to leverage **technological differentiation**, particularly through innovations such as Blade Battery technology, which enhances safety and cost efficiency. From a marketing perspective, this strengthens BYD's **product-led strategy**, where technological superiority is used as a central value proposition in international markets.

Moreover, BYD's international expansion reflects a deliberate shift toward **market diversification and risk mitigation**. Export volumes exceeding 1.05 million units in 2025 indicate not only increased penetration but also the success of **adaptive market entry strategies**, including partnerships, localized branding, and compliance with regional regulatory frameworks. The company's presence in Europe, North America, ASEAN, and Latin America demonstrates its ability to navigate heterogeneous market conditions, including differences in consumer preferences, environmental regulations, and infrastructure readiness.

The firm's forward-looking target of 1.3–1.6 million overseas sales by 2026 further highlights a transition toward a **globally oriented growth model**. This strategic orientation can be interpreted through the lens of international marketing theory as a move from an **ethnocentric approach to a geocentric strategy**, where global integration and local



responsiveness are balanced. Consequently, BYD's sales performance is not only a reflection of demand growth but also an outcome of a sophisticated and evolving international marketing framework.

3.1.2 Geely Sales and Market Expansion

Geely has exhibited a similarly dynamic growth trajectory, though its strategy differs in important ways from BYD's approach. The company's total sales of over 3.02 million units in 2025, representing a 39% year-on-year increase, indicate a rapid scaling of production and market penetration. However, unlike BYD's heavy reliance on internal capabilities, Geely's expansion has been strongly supported by its **multi-brand portfolio and strategic acquisitions**, including international brands that enhance its global credibility.

The growth of NEV sales to approximately 1.24 million units reflects Geely's successful transition toward electrification, supported by investments in research and development and strategic collaborations. This transition aligns with broader industry trends and demonstrates the firm's responsiveness to **global environmental policies and consumer demand for sustainable mobility solutions**.

Geely's presence in 88 countries and regions, supported by over 1,200 sales outlets, illustrates a **distribution-intensive international marketing strategy**. This approach emphasizes accessibility, brand visibility, and after-sales service, which are critical factors in building consumer trust in foreign markets. The company's overseas sales of approximately 420,000 units, including more than 120,000 NEVs, highlight its growing competitiveness in international markets.

Briefly, Geely's expansion strategy can be characterized as **hybrid internationalization**, combining export-led growth with localized operations. By entering diverse markets such as Europe, Latin America, and Central Asia, the company has demonstrated its ability to adapt to varying economic conditions and regulatory environments. This adaptability is a key determinant of its sustained growth and reflects a **market-oriented rather than purely product-oriented strategy**, distinguishing it from some competitors.

3.2 Revenue, Profitability, and Financial Indicators

3.2.1 BYD Financial Performance

Despite its impressive sales growth, BYD's financial performance in 2025 reveals underlying challenges that are critical for understanding its strategic direction. The reported net profit of approximately 32.6 billion yuan, representing a 19% decline, suggests that **volume growth has not fully translated into profitability**. This divergence can be attributed to several factors, including intensified price competition, rising input costs, and the gradual reduction of government subsidies in the domestic market.

The relatively modest revenue growth of 3.5% further indicates **margin compression**, which is a common phenomenon in rapidly expanding and highly competitive industries. From a strategic perspective, this situation underscores the importance of **international market expansion as a revenue diversification tool**. By increasing its presence in higher-margin or less saturated markets, BYD aims to stabilize its financial performance and reduce dependence on the domestic Chinese market.

Additionally, the company's financial dynamics highlight the tension between **cost leadership and differentiation strategies**. While BYD's cost advantages support competitive pricing, maintaining technological leadership requires sustained investment in innovation. This



dual strategic pressure has implications for its marketing approach, particularly in positioning its products across different price segments in international markets.

3.2.2 Geely Financial Performance

In contrast to BYD, Geely's financial performance in 2025 demonstrates a stronger alignment between sales growth and profitability. The company's revenue of 72.5 billion RMB in the first quarter, representing a 25% increase, and the substantial 26% growth in net profit indicate **effective cost management and value creation**. This suggests that Geely has been more successful in achieving **economies of scale while maintaining profit margins**.

The continued revenue growth in the first half of the year, exceeding 150 billion RMB, further reflects the company's ability to capitalize on market opportunities, particularly in the NEV segment. This performance can be attributed to a combination of **product diversification, strategic pricing, and efficient market segmentation**, which enable the company to target different consumer groups across multiple regions.

From an international marketing perspective, Geely's financial success reinforces the effectiveness of its **brand portfolio strategy**, which allows it to operate across various market segments and geographic regions. This approach not only enhances revenue generation but also reduces risk by diversifying its sources of income. As a result, Geely's financial indicators provide strong evidence that its marketing and expansion strategies are yielding tangible economic benefits.

3.3 NEV Penetration and Competitive Positioning

Both BYD and Geely have established themselves as key players in the global NEV market, which serves as a central pillar of their competitive strategies. BYD's estimated 17.1% share of global BEV sales highlights its dominant position and reflects its early-mover advantage in electrification. This leadership is reinforced by its strong brand association with innovation and sustainability, which are increasingly important factors in consumer decision-making.

Geely's market share of over 11% in the plug-in vehicle segment indicates a rapidly strengthening position, supported by its investments in technology and international expansion. The company's ability to increase its NEV penetration demonstrates its success in aligning its product portfolio with **global trends toward decarbonization and regulatory compliance**.

Importantly, NEV penetration is not only a technological indicator but also a **marketing tool**, as it enhances brand perception and supports differentiation in competitive markets. Both companies leverage their NEV capabilities to position themselves as forward-looking and environmentally responsible brands, which is particularly important in developed markets with strict environmental standards.

3.4 Comparative Regional Engagement

The regional distribution of sales and operations further illustrates the strategic approaches of both companies to international marketing. BYD's relatively balanced regional engagement, with Europe, North America, and ASEAN each contributing significantly to overseas sales, reflects a **diversification strategy aimed at reducing geographic concentration risk**. This balanced approach also enables the company to leverage growth opportunities in both developed and emerging markets.

Geely's strategy, on the other hand, emphasizes **deep market penetration through localization**. The establishment of CKD assembly facilities in countries such as Egypt and



Indonesia allows the company to reduce production costs, comply with local regulations, and enhance its responsiveness to market-specific demand. Additionally, the expansion of dealership networks across multiple continents strengthens customer access and brand visibility.

These regional strategies highlight the importance of **local adaptation in international marketing**, particularly in the automotive industry, where consumer preferences, regulatory environments, and infrastructure conditions vary significantly across markets. Both companies demonstrate a clear understanding of these dynamics, though they adopt different approaches in implementing their global expansion strategies.

4 Discussion

4.1 International Marketing Strategies: Product, Pricing, Distribution, and Promotion

Consistent with the marketing mix framework (4Ps/7Ps), both BYD and Geely integrate product innovation, pricing strategies, extensive distribution networks, and targeted promotion in their international marketing approaches. BYD's approach foregrounds technological differentiation and sustainability. As the global leader in electric vehicles (EVs) by pure EV deliveries in 2025, with approximately **2.26 million BEVs sold** and total vehicle sales reaching **about 4.6 million units** globally, BYD leverages its strong product portfolio to create competitive advantage abroad.

BYD's product strategy centers on battery technology, smart systems, and sustainability messaging — positioning itself as a provider of green mobility solutions rather than merely an automobile manufacturer. This aligns with research highlighting its use of advanced battery systems and innovation-oriented branding to enhance market visibility. Such positioning resonates with environmentally conscious consumers in Europe, Latin America, and Southeast Asia, indicating deliberate adaptation of product messaging to local demand structures.

In contrast, Geely emphasizes a diversified product portfolio that combines internal combustion engine vehicles with new energy vehicles (NEVs). In the first half of 2025 alone, Geely reported total sales of **1.409 million vehicles**, including **725,000 NEVs**, reflecting a strategy of catering to varying consumer preferences across segments. Moreover, Geely's focus on *high-value models* and safety achievements — such as Euro NCAP ratings for certain models — demonstrates an emphasis on quality and recognition that supports its international market penetration, particularly in developed economies.

Pricing strategies also reveal strategic differentiation. BYD's competitive pricing, especially in emerging markets, supports its market penetration objectives, whereas Geely balances cost competitiveness with premium features to appeal to a broader spectrum of global consumers. Promotions for both companies demonstrate adaptation to local contexts, with geotargeted campaigns and participation in major international auto exhibitions, facilitating brand recognition in culturally diverse markets.

4.2 Standardization vs. Adaptation in Global Markets

The comparative framework rooted in standardization and adaptation theory reveals that BYD and Geely adopt hybrid strategies that combine centralized brand identity with localized execution. BYD tends to standardize its core brand message — emphasizing sustainability, technological leadership, and environmental consciousness — while adapting pricing, distribution, and promotion to regional preferences. For example, BYD's *overseas sales* have surged to over **1.05 million units in 2025**, and the company aims to increase that to



1.3 million in 2026, reflecting strategic emphasis on foreign markets to compensate for slowing domestic demand.

Geely's strategy similarly integrates consistent global branding — centered on quality, safety, and technological reliability — but also incorporates localized adaptation through regional manufacturing and customer engagement initiatives. In 2025, Geely expanded its *local production capabilities* with CKD (completely knocked-down) operations in countries such as Egypt and Indonesia, supporting localized supply chains and reducing entry costs in key regions. This dual emphasis on global positioning and local responsiveness aligns with empirical research suggesting that EMNEs often deploy hybrid strategies to achieve both efficiency and market sensitivity.

The balance between standardization and adaptation is also evident in **promotion and communication strategies**. Both firms utilize digital marketing, social media engagement, and localized communication campaigns to bridge cultural differences and improve brand salience. Digitalization, as noted in recent literature, enhances cross-cultural communication and allows firms to tailor messaging to specific cultural dimensions — an approach BYD and Geely have implicitly adopted through targeted campaigns in Europe, the Middle East, and Latin America.

4.3 Resource-Based Capabilities and Institutional Support

From a Resource-Based View (RBV), BYD and Geely derive competitive advantage from unique firm-specific capabilities. BYD's vertically integrated production, especially in battery technology, enables cost leadership and rapid innovation, which can be leveraged in international markets. Its technological depth, combined with substantial R&D investments, underpins its ability to market not only vehicles but also broader mobility solutions.

Geely's acquisition of brands such as Volvo and partnerships with entities like Proton extend its brand equity and technical capabilities, addressing quality perceptions and facilitating entry into advanced markets. Historical studies on Geely's early international entry underline the importance of branding and international exposure in overcoming negative perceptions of Chinese vehicles abroad, reinforcing the strategic value of capability upgrading through acquisitions.

Institutional theory further explains how external environments shape strategy. Both firms benefit from China's industrial policies that incentivize NEV development and infrastructure expansion. Subsidies, tax incentives, and supportive regulatory frameworks have enabled initial cost advantages and innovation acceleration. However, as external pressures intensify in foreign markets — including stringent safety regulations in the European Union and trade barriers in North America — both BYD and Geely adapt their marketing and production strategies to align with host market norms, illustrating the dynamic interplay between institutional context and marketing execution.

4.4 Challenges and Success Factors

Despite notable gains, both companies face ongoing challenges. Negative **country-of-origin perceptions** persist, particularly in developed markets where established brands benefit from long-standing brand loyalty. Overcoming these perceptions requires sustained marketing investments in quality signaling, service networks, and customer experience — areas where Geely's strategy of leveraging recognized sub-brands (e.g., Volvo) shows particular strength.

Moreover, **competitive dynamics** — including intense price competition and overcapacity in the Chinese EV market — have impacted profitability. BYD recorded its **first**



annual profit decline in four years in 2025, partly due to domestic price wars, highlighting the need for strategic adjustments in global marketing and production.

Key success factors include: (1) **innovation-driven product differentiation** that resonates with sustainability trends; (2) **global brand positioning that balances standardization with local adaptation**; and (3) **strategic partnerships and local production networks** that enhance market responsiveness and mitigate institutional barriers.

5. Conclusion

This study examined the international marketing strategies of two leading Chinese automotive brands, BYD and Geely, with a focus on understanding how these firms balance global standardization and local adaptation, leverage innovation and partnerships, and address challenges in foreign markets. The analysis demonstrates that both companies have achieved significant international expansion through distinct yet complementary approaches.

BYD's strategy emphasizes technological leadership, sustainability, and cost-effective electrification solutions, which have allowed the firm to secure a dominant position in the global electric vehicle (EV) market. Its international sales growth, reaching over 1.05 million vehicles in 2025, reflects the effectiveness of its differentiated global strategy and localized market adaptation, particularly in Europe, ASEAN, and Latin America. Geely, on the other hand, combines a diversified product portfolio with strategic acquisitions, such as Volvo, to enhance brand equity, technological capabilities, and market credibility. Its international presence in 88 countries, supported by local assembly operations and tailored promotion, illustrates a hybrid strategy that integrates global branding with regional responsiveness.

The findings indicate that both firms successfully employ hybrid marketing strategies that integrate standardized global brand messaging with localized pricing, distribution, and promotional approaches. Institutional support from the Chinese government, including subsidies, tax incentives, and infrastructure development, has further facilitated their international competitiveness, particularly in the new energy vehicle sector. However, challenges remain, including overcoming negative country-of-origin perceptions and meeting stringent regulatory requirements in developed markets, highlighting the ongoing need for adaptive marketing strategies and brand-building initiatives.

6. Limitations and Policy Recommendations

6.1 Limitations

Despite the comprehensive analysis, this study has several limitations. First, the research relies primarily on secondary data sources, including company reports, industry analyses, and scholarly literature, which may limit the depth of insights into internal decision-making processes. Second, the focus on only two companies, BYD and Geely, constrains the generalizability of findings to other Chinese automotive firms, especially smaller or emerging players. Third, while the study examines international marketing strategies across multiple regions, it does not provide an in-depth market-by-market analysis, which could reveal more nuanced differences in local adaptation strategies. Finally, the rapidly evolving nature of the electric vehicle industry means that marketing strategies and market conditions may change quickly, potentially affecting the relevance of some findings in the near future.

6.2 Policy Recommendations

Based on the analysis, several policy implications emerge:

1. **Strengthen Global Branding and Quality Perception:** Chinese automotive firms should continue to invest in international branding campaigns, quality certifications,



and collaborations with established global brands to overcome negative country-of-origin perceptions.

2. **Enhance Localization Strategies:** While global standardization provides efficiency, deeper localization in pricing, distribution, after-sales services, and cultural adaptation is essential, particularly in developed markets with strong consumer expectations.
3. **Leverage Institutional Support Strategically:** Policymakers in China can further facilitate international expansion by providing targeted subsidies for overseas market entry, supporting global R&D collaboration, and promoting sustainable innovation aligned with global environmental standards.
4. **Monitor Regulatory Environments Abroad:** Firms should develop flexible strategies to comply with evolving regulations in foreign markets, including environmental, safety, and trade policies, to reduce barriers to entry and avoid penalties.
5. **Foster Digital and Ecosystem-Based Marketing:** Both firms can expand their use of digital platforms, smart mobility services, and integrated energy solutions to create differentiated value propositions for global customers, enhancing competitive advantage in the EV sector

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