

# **Enterprise Internationalization Capabilities and Productivity Together Determine the Path of Internationalization of Enterprises**

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## **Abstract**

The researchers used data from Chinese-listed companies to empirically test the theory of heterogeneous firms and trade, and discovered the existence of a productivity threshold overlap. They determined that productivity is not the only factor deciding whether a firm participates in the international market. This study introduced a new concept, that of internationalization capabilities. This described how internationalization capabilities and productivity together determine the internationalization path of companies.