Research on International Competitiveness of Tylenol International Trade Co., Ltd Based on Big Data Event Analysis Model

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Abstract: In this era of rapid development of the global economy, competition among enterprises is becoming more and more fierce. Enterprises should compete with domestic and multinational enterprises. At present, the situation is grim for small and medium-sized enterprises. In the era of economic globalization, there are more and more opportunities for small and medium-sized enterprises to participate in international competition. As an essential pillar of China’s national economic development, whether small and medium-sized enterprises in China can gain a place on the international stage is related to promoting China’s comprehensive national strength. This paper selects Tylenol International Trade Co., Ltd. as the research object. This paper analyzes the export data of Tylenol International Trade Co., Ltd by using big data event analysis model. Event analysis model is one of the analysis models for user behavior, and it is also the core and foundation of user behavior data analysis. The user's behavior on the product is defined as an event, which is a professional description of the user's behavior. All the program feedback obtained by the user on the product can be abstracted as an event for collection. In recent years to study its international competitiveness. It carries forward solutions to the existing problems to improve international competitiveness by optimizing the export product structure, developing the core products, establishing an effective international marketing mechanism, clarifying the positioning, and strengthening brand strategy to enhance international competitiveness.

1 Introduction

1.1 Research Background

In the 21st century, the world economy has witnessed the trend of globalization. Since then, the environment of enterprises has significantly changed, and their international business development has been promoted. The new development situation requires SMEs in China, which rely heavily on low-cost advantages in the past, to adjust their developing strategies, improve their international Competitiveness, and enter the rank of leading enterprises. One of the problems they face is that SMEs lack global Competitiveness. As SMEs in China face low economic benefits, inferior product quality, and low reliability, this paper will discuss measures to improve their international Competitiveness.

1.2 Research Objective and Significance

1.2.1 Research Objective

The paper will analyze the export business of Tylenol International Trade Co., Ltd. in recent years, summarize the problems in international competition, and put forward solutions to improve its global competitiveness according to theories in international trade and international marketing.

The research on Tylenol will help the company to improve its international Competitiveness, develop global markets, increase international market share, and improve its international reputation, which is beneficial to its future development and increase in profit.

1.2.2 Research Significance

The author has reviewed many pieces of literature at home and abroad, combining theoretical knowledge with the actual situation. This paper provides solutions to enhance the international Competitiveness of Tylenol, helping to expand the international market and increase global market share, which is of great significance for the future development of the enterprise. Besides, the paper also focuses on improving international Competitiveness among other SMEs, which benefits the economy and social stability.
1.3 Research at Home and Aboard

1.3.1 Research Aboard

In Proposed Research on the Relationships Between Innovation Competitiveness and Export Competitiveness in Central and Eastern European Countries, Salamaga Marcia pointed out that European countries have strengthened cooperation with other countries. Furthermore, Europe and China have become creditworthy partners. Therefore, the gap in export competitiveness among European countries is reduced. Before, countries had strong competitiveness, but export was complex[1].

In Morocco’s external performance: An empirical assessment of export competitiveness determinants, Sara Labrar and Adil el Marhoum pointed out three significant influencing matters of China’s export competitiveness: international demand for China’s products, the price competitiveness of domestic products compared to foreign products, and non-price competitiveness factors, including the type, quality and innovation level of the export products.

In Heuristics in decision-making by exporting textiles SMEs, Guercini Simone and Runfola Andrea suggested that Italy has a strong foundation in the textile industry, but the industry has not been systemized. With the assistance of the government, the textile industry will bring more benefits to the national economy.

1.3.2 Research at Home

Wu Yuxian said in her paper, Analysis of Export Competitiveness of China’s Garment Industry and Its Influencing Factors, that China’s export competitiveness is not strong. However, it is the largest producer and exporter worldwide. The textile industry has low added value, high-end clothing is weak, and homogeneous competition is typical[2].

In Analysis of Export Competitiveness of Chinese Products, Liang Siyu pointed out that the competitiveness of products is based on product quality. Since the quality of primary products exported from China is relatively low, the government must intervene and impose strict regulations and quality supervision while encouraging enterprises to learn advanced technologies and ensure the quality of their products.[3]

In Research on Innovative Design Method of Hand Printing and Dyeing Fashion Textiles, Li Ying suggested that consumers had upgraded their demand for hand printing and fashionable textiles with Internet technology and platform development. As a result, they will compare the prices of different textiles while focusing on the textile techniques. Such a new tendency would provide a new economic growth point and put forward higher requirements and challenges for textile enterprises.

In Intelligent Manufacturing Promotes the Dynamic Transformation of Comparative Advantage of China’s Textile Trade, Wang Ning mentioned that textile enterprises should apply intelligent manufacturing, promote innovation, set up private brands, and increase added value and quality to expand the market share in middle-and-high textile market[4].

In the report, Textile Export Under Pressure, Liu Yelin said positive aspects, including China’s entering of CPTPP, the implementation of RCEP, and the increase of trade volume under the BRI Initiative, the international market share of Chineses textile was likely to maintain in its place[5]. Under the “internal circulation” policy, there is still much room for improvement and upgrading of the domestic consumer market, and China’s textile and apparel industry still has great potential. Although China still faces many challenges in textile export, there is still room for external demand.

1.4 Research Content and Methodology

1.4.1 Research Content

The author takes Tylenol International Trade Co., Ltd. as an objective, applying the literature method and case study method to analyze the international Competitiveness of this company from the perspective of comparative advantage and competitive advantage.[6] Through the SWOT analysis, the author finds that Tylenol is facing problems, such as the unreasonable export product structure, insufficient marketing capabilities in the international market, unclear positioning in the target market, and non-comprehensive brand strategy. The author also put forward the countermeasures such as optimizing export product structure, upgrading the product structure, transforming ideas of products, and establishing an effective international marketing mechanism to improve international competitiveness effectively.

1.4.2 Research Methodology

(1) Textual analysis: the author provides a general analysis of international Competitiveness by reading books on international trade and marketing and searching references through databases to improve Tylenol’s global competitiveness.

(2) Case analysis: this paper takes Tylenol International Trade Co., Ltd. as the object of study. By analyzing the international business, current market positioning, export product structure, global marketing capability and brand strategy, the author provides a series of solutions to enhance international competitiveness in line with the development of the enterprise.

1.5 Research Question

The author finds that Tylenol has problems in export product structure, international marketing, positioning, and brand building, which result in low product sales and a lack of international competitiveness. This paper aims to offer solutions to these problems to make the company competitive in the global market.
2 Literature Review on International Competitiveness

2.1 Definition of Key Terms

2.1.1 International Competitiveness of Enterprises

“Core competence” is a better description of “international competitiveness” for enterprises struggling to survive in the fierce competition of the international market. Therefore, they need to be competitive, capable of beating their counterparts and pushing their product one step forward to achieve sustainable development. To improve international Competitiveness, enterprises should enhance their technology capability, target the international market, and strengthen management, while adapting to the international environment[7].

2.1.2 Export Competitiveness of Enterprises

Export competitiveness refers to enterprises’ capability to gain profits through international trade. The analysis of export competitiveness mainly lies in how an enterprise’s products or services are positioned in the global market and how it leverages its strengths to capture market share. To enhance export competitiveness, enterprises should improve product quality, create new products, and promote technological innovation. Meanwhile, they also need to enhance marketing, capture more market share, and improve their management.

2.2 Theory of Comparative Advantage

The law of comparative advantage is attributed to David Ricardo, the English political economist. Comparative advantage refers to a country or an economy’s ability to produce a particular good or service at a relatively lower cost than its counterparts. Therefore, every country will trade with one another for goods it has a relative advantage.

The theory of comparative advantage attributes the benefits of international trade to labour productivity. While Ricardo uses time input to reflect productivity, modern economists use opportunity costs. Both agree that a country should specialize in the product with higher labour productivity, while the other country should concentrate on the one with a relatively small labour productivity gap. As a result, both countries can gain benefits through the trade of goods or services with a smaller labour productivity gap. Therefore, countries should maintain their internal and external comparative advantages in international trade. In this paper, comparative advantage theory is the theoretical basis for studying Tylenol’s international competitiveness[8].

2.3 Theory of Competitive Advantage

Michael Porter, a professor from the Harvard Business School, put forward the theory of competitive advantage. He believed that a country’s trade advantage is not only affected by its natural resources, labour, interest rates, and exchange rates but also its ability to innovate and upgrade its industries. He established the five forces framework, a method to analyze the operating environment of a business, including three horizontal forces – the threat of substitute products or services, the threat of established rivals, and the threat of new entrants – and two others from ‘vertical’ competition – the bargaining power of suppliers and the bargaining power of customers[9]. See the figure 1.
3 Analysis of the International Competitiveness of Tylenol International Trade Co., Ltd.

3.1 Introduction of Tylenol International Trade Co., Ltd.

Tylenol International Trade Co., Ltd. was established on April 21st 2015, with a registered capital of 15 million CNY and an average export value of 3.732 million CNY in the past five years. Its line of business includes the wholesale of simple international manufacturing—mechanical, electrical equipment and fitting, stationery, daily necessities, hardware and electrical materials, instrumentation, automotive supplies, welding, warehouse equipment, fire-fighting equipment, medical equipment, electronics, computer software and hardware, household appliances, communication equipment, chemical products (excluding dangerous chemicals), lubricants, stainless steel products, kitchenware, handicrafts, wires and cables, electronic components, motorcycle spare parts, audio equipment, furniture, lighting equipment, plumbing fittings, ship fitting, rubber and plastic products, laundry products; entrusted cargo storage; commodity display services; self-operated or designated import and export of goods and technologies; the repair of electrical fittings, mechanical accessories, fire safety equipment.

3.2 Export of Tylenol

3.2.1 Scale of exports

The business of Tylenol relates to simple international manufacturing, wholesale, and retail. In 2016, the total export value of the company was 1.699 million CNY, reaching 1.705 million and 1.707 million in 2017 and 2018, respectively. However, exports dropped by 1.66 million and 1.645 million in 2019 and 2020, respectively. Table 1 shows that although the percentage of total exports of major products is increasing from 2016 to 2018, the share of total exports of high-end products, including medical equipment and electronics, is declining, which means that the structure of Tylenol’s export products is unreasonable. The company needs to enhance its international Competitiveness to increase its export volume. From 2019 to 2020, the annual export volume declined due to the pandemic, which means that Tylenol urgently needs to improve its international competitiveness to overcome the negative impact of the epidemic to reduce losses and increase profits.

<table>
<thead>
<tr>
<th>Project</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>electrical equipment and fitting</td>
<td>60.1</td>
<td>62.2</td>
<td>61.7</td>
<td>59.7</td>
<td>59.9</td>
</tr>
<tr>
<td>household appliances</td>
<td>59.8</td>
<td>58.9</td>
<td>59.9</td>
<td>59.6</td>
<td>57.8</td>
</tr>
<tr>
<td>medical equipment</td>
<td>25.7</td>
<td>25.3</td>
<td>25.2</td>
<td>24.2</td>
<td>23.9</td>
</tr>
<tr>
<td>electronics</td>
<td>24.3</td>
<td>24.1</td>
<td>23.9</td>
<td>22.5</td>
<td>22.9</td>
</tr>
<tr>
<td>Total</td>
<td>169.9</td>
<td>170.5</td>
<td>170.7</td>
<td>166</td>
<td>164.5</td>
</tr>
</tbody>
</table>

3.2.2 SWOT Analysis of Tylenol

(1) Strengths

After years of operation, the company has developed a high level of technology. It provides various products to meet different needs at a relatively lower price, as the company is close to the place of origin.

(2) Weaknesses

Due to the lack of investment, the structure of the export products is unreasonable. Its consumers question new products as Tylenol lacks management experience. Furthermore, the start-up period may not be very profitable, and the government support may be insufficient, which may hinder the development of Tylenol.

(3) Opportunities

SMEs have more opportunities with the development of the national economy. Besides, China’s increase of export rebate rate has been raised, which benefits export companies like Tylenol. With a lower price and higher quality, Tylenol has more chances to increase its sales.

(4) Threats

Fierce international competition and regional differences may trigger other countries’ “anti-dumping” sanctions due to the low price of Tylenol’s products. Moreover, the viciousness will increase as Tylenol competes with competitors at home and abroad.

(5) Overall Analysis

Tylenol is facing both opportunities and challenges with the rapid growth of the economy. The company may capture a larger market share, but it will also face more challenges from competitors at home and abroad. If Tylenol seizes the opportunity, they will have more possibility to grow stronger; if not, they will suffer from losses or bankruptcy. See the figure 2.
3.3 Existing Problems of Tylenol’s International Competitiveness

3.3.1 Unreasonable Export Products Structure

Table 2 shows that the export structure of Tylenol is unreasonable. The share of high-end export products, such as medical equipment and electronics, accounted for 20% and 13% in 2016. The figure in 2017 was 14% for both, 15% and 14% in 2018, 14% and 13% in 2019, and 16% and 13% in 2020.

However, the share of low-end products, including electrical fittings and home appliances, has accounted for over 33%. As fittings have low added value, the export prices of such products are low and hard to gain profits. Tylenol can hardly gain an international reputation for long, and it may face crisis or liquidity difficulties caused by increasing demand from international trade.

Table 2 The Proportion of Exported Products of Tylenol in the Past Five Years

<table>
<thead>
<tr>
<th>Project</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>electrical equipment</td>
<td>33%</td>
<td>35%</td>
<td>34%</td>
<td>36%</td>
<td>35%</td>
</tr>
<tr>
<td>and fitting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>home appliance</td>
<td>33%</td>
<td>35%</td>
<td>35%</td>
<td>36%</td>
<td>34%</td>
</tr>
<tr>
<td>medical equipment</td>
<td>20%</td>
<td>14%</td>
<td>15%</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td>electronics</td>
<td>13%</td>
<td>14%</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
</tr>
</tbody>
</table>

3.3.2 Insufficient Marketing Capabilities in the International Market

Tylenol lacks coordination and efficiency in international marketing, and it’s difficult to form a scale of marketing, resulting in a low international reputation. Besides, low industrial concentration can make Tylenol challenging to enter the global platform. Therefore, even if the company has developed a novel and efficient marketing plan, it cannot materialize it on a specific product, leading to low international competitiveness.

3.3.3 Unclear Positioning in the Target Market

Table 3 suggests that Tylenol is not precise with its positioning. In 2018, it blindly pursued the market share in Europe, only leading to sluggish sales. The same year, the company slowed down its investment in Asia’s primary market. Such a blind and risky move did harm to Tylenol. Tylenol should target major international industrial zones rather than subjectively judging its positioning as a company with its main business in fittings.

Table 3 Target Market Proportions of Tylenol in the Past Five Years

<table>
<thead>
<tr>
<th>Target Market</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>29%</td>
<td>28%</td>
<td>21%</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Africa</td>
<td>25%</td>
<td>26%</td>
<td>27%</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Europe</td>
<td>20%</td>
<td>19%</td>
<td>28%</td>
<td>30%</td>
<td>31%</td>
</tr>
<tr>
<td>Latin America</td>
<td>15%</td>
<td>15%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>North America</td>
<td>11%</td>
<td>12%</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
</tr>
</tbody>
</table>

3.3.4 Non-comprehensive Brand Strategy

Tylenol needs a more comprehensive brand strategy to fulfil brand meaning, building a core value. Also, the company are not aware of protecting its brand value when competing with others, especially the leading brands, which will hinder its international
competitiveness. Therefore, Tylenol should set up a comprehensive brand meaning, creating its brand to bridge the gap of brand power among international competitors.

4 Countermeasures to Improve the International Competitiveness of Tylenol

4.1 Optimizing Export Product Structure

4.1.1 Upgrading the Product Structure

From the perspective of low profitability, it is necessary for Tylenol to adjust product structure, integrate the resources, and accelerate product optimization to establish a more reasonable and advanced industrial design. For that purpose, the company should improve its technology to promote export product structure and better handle challenges. Tylenol should also develop products with unique advantages according to international demand. Besides, it is necessary to enhance the added value and create new profit points to ensure its position in the global market.

4.1.2 Transforming Product Idea

The foreign trade product structure has significantly changed with the rapid growth of the global economy, which requires Tylenol to alter its product idea. Therefore, Tylenol needs to transfer the export product idea, form a gradient industrial, diversify its products, and increase the R&D investment to truly realize the transformation from extensive production and quantity expansion to intensive production, quality, and efficiency. With the help of a national subsidiary, SMEs can provide products with added value and convert the product value of SMEs, which is beneficial for the sustainable development of Tylenol.

4.2 Establishing an Effective International Marketing Strategy

4.2.1 Enhancing Cooperations with Leading Enterprises

Cooperating with internationally leading companies can gain an international reputation to some degree, increasing the possibility of cooperation with other companies. What is more, Tylenol can learn marketing strategies and techniques from these leading companies.

4.2.2 Introducing Innovative Marketing Strategies

Combining online and offline marketing is necessary based on the current market situation. Therefore, Tylenol should promote both online and offline marketing to show all aspects of its products, offering the best experience to the customers. The company also needs to introduce innovative marketing strategies. For instance, it can offer promotions on foreign holidays, provide a points-based loyalty program, or offer gift cards for customers purchasing monthly without refunds. Furthermore, the company can give VIP rewards to customers who buy all kinds of products online without refunds for two consecutive years.

4.3 Clarifying the Positioning in the Target Market

Tylenol must figure out its corporate culture and brand meaning to clarify its target market positioning following its allocation. It also needs to manage its role in the international market.

Table 4 suggests that Tylenol blindly increased European investment in 2018, leading to declining profits and sluggish sales. Meanwhile, the company reduce its investment in Asia. Thus, Tylenol needs precise positioning. A great target market should have ○1 a high-density population with high purchasing power ○2 huge marketing potential ○3 a relatively low competition.

<table>
<thead>
<tr>
<th>Target Market</th>
<th>Economic Development Level</th>
<th>Population Density</th>
<th>Consumption Level</th>
<th>Competition Threshold</th>
<th>Profit Margins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>relatively High</td>
<td>high</td>
<td>relatively High</td>
<td>igh-pressed</td>
<td>elatively High</td>
</tr>
<tr>
<td>Africa</td>
<td>relatively Low</td>
<td>high</td>
<td>relatively Low</td>
<td>ow-pressed</td>
<td>elatively High</td>
</tr>
<tr>
<td>Europe</td>
<td>high</td>
<td>high</td>
<td>igh</td>
<td>fierce</td>
<td>ow</td>
</tr>
<tr>
<td>Latin America</td>
<td>relatively High</td>
<td>ow</td>
<td>relatively High</td>
<td>ow-pressed</td>
<td>elatively Low</td>
</tr>
<tr>
<td>North America</td>
<td>high</td>
<td>ow</td>
<td>relatively High</td>
<td>ow-pressed</td>
<td>elatively Low</td>
</tr>
</tbody>
</table>
Table 4 shows that the Asian market is relatively developed and has a dense population, which means the market capacity is enormous. Though the competition might be fierce, it is easy for Tylenol to enter the market. Europe market performs well in all aspects, but the competition is fierce, let alone the high standard of market accessories. North America is also a suitable market with a low market threshold, large profit margin, and considerable consumption potential, regardless of a lower consumption level than Europe. As for Africa, a region with a relatively low consumption level and insufficient infrastructure, Tylenol is not suitable as the primary target market. It lacks international marketing strategies and is incapable of supporting infrastructure construction. Latin America is not ideal for its low population density and high market threshold.

In conclusion, Tylenol should focus on the Asian and North American markets and expand its market share. The company can target Europe, Africa, and Latin America when it accumulates enough foundations. However, Tylenol also needs to keep track of the economic trends in these markets and take a particular market share as much as possible.

4.4 Strengthening the Research on Brand Strategies

4.4.1 Imbuing the Brand with Unique Cultural Meaning

A brand is the backbone of an enterprise. If Tylenol does not turn out to be the OEM of other leading brands with meagre profits, it should develop technology and strengthen the brand meaning. First, Tylenol must reinforce its social responsibility and transmit positive energy to establish a positive corporate image and promote consumer confidence. Besides, the company should improve its cultural connotation. As product quality is always the key to the enterprise, it’s necessary for Tylenol to upgrade its product technology, providing high-value-added products. This way, Tylenol can build a brand with a “high quality” connotation[10].

4.4.2 Establishing a Sound Brand Structure

To build a sound brand structure, Tylenol first needs to start from the actual situation, understanding the sale situation and its customers’ preferences. Second, it needs to ensure that the core products can meet the primary demand of its customers. Third, the company can provide a series of products with a brand vision under the company’s brand structure. Last, Tylenol needs to consider whether its products can meet the challenges, whether there is a strategic space, or whether its products can be against potential substitutes in the global market. Therefore, the company should make strategic plans to deal with future challenges, prepare to introduce promising technologies, and create the most competitive product portfolio to stabilize the brand structure.

5 Conclusion

The paper analyzes the current situation of Tylenol’s international competitiveness, providing solutions to the existing problems of Tylenol through a systematic SWOT analysis, combined with comparative advantage theory and competitive advantage theory. Conclusions as below:

(1) Tylenol should optimize its product structure, integrate resources, and upgrade its products to advance the industrial design so that the company can better handle the challenges. Besides, Tylenol should also develop products with uniqueness.

(2) Tylenol should establish an efficient international marketing strategy, cooperate with leading companies, gain an international reputation and obtain experience to carry forward novel marketing strategies and compensate for its marketing capability.

(3) Tylenol should clarify its brand and corporate culture positioning and manage its role in the target market. Therefore, Asia and North America are more suitable for the company as both markets demand more fittings and technological products.

(4) Tylenol should strengthen brand strategy, deepen cultural connotation, and set up a reasonable brand structure, creating the most competitive portfolio.

Due to the author’s limited data collection and knowledge level, the paper may not be comprehensive on the design of solutions to improve Tylenol’s international competitiveness, which requires further study.

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6. Ying. L, Research on Innovative Design Method of


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