Greater Bay Area enterprise outbound insights report: building a globalized ecosystem

Executive summary

Against the backdrop of the continuing development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and the increasingly sophisticated outbound strategies of enterprises in the region, this report draws on in-depth data analysis and five case studies to explore how GBA enterprises are advancing toward a new model of sustainable, high-quality global expansion with industrial resilience, technological innovation and supportive policies. It also offers recommendations to address key challenges related to compliance, talent and localization. Key highlights include:

- **Chinese enterprises have entered a phase of deep global expansion**
  The rationale for going global is shifting from product exports to the integrated delivery of brands, technology, production capacity, services and localized operations. Competitive advantage is no longer defined by successful market entry alone, but by the ability to build and sustain long-term overseas operations.

- **The evolving global landscape is reshaping enterprises' global expansion strategies**
  Emerging markets have become increasingly important destinations for investment and growth, while developed economies continue to tighten requirements around investment screening, data governance and access to sensitive industries. As a result, enterprises must strengthen their capabilities in localization, compliance and global resource allocation.

- **The GBA is rapidly emerging as a strategic bridgehead for Chinese enterprises going global**
  In 2025, the GBA's GDP reached approximately RMB15.3 trillion. With less than 1% of the country's land area and around 6% of its population, the region generates around one-ninth of China's total economic output[1] and is home to roughly 30% of China's top talent[2]. Leveraging its robust manufacturing ecosystem, technological innovation capabilities, cross-border financial infrastructure and professional services network, the region continues to strengthen its traditional advantages in consumer products and manufacturing while accelerating growth in emerging sectors such as new energy vehicles, intelligent robotics and cross-border e-commerce.

- **GBA enterprises possess strong foundations for global growth, but barriers to high-quality development remain**
  Guangdong ranks among China's leading provinces in outward direct investment (ODI), goods exports and overseas revenue generated by listed companies. However, enterprises continue to face significant challenges, including increasingly complex regulatory requirements, shortages of global talent, localization difficulties and intensifying competition driven by increasingly similar business models and strategies.

- **The GBA's competitive edge lies in ecosystem empowerment, not just geography alone**
  The report introduces the "GBA Globalized Ecosystem" framework, built around the concept of "Four Pillars and Eight Dimensions". The framework encompasses critical capabilities such as institutions and rules, finance and capital, talent and services, industry and innovation, logistics hubs and global supply chains. It highlights the GBA's potential to evolve from a business cluster into a comprehensive platform that supports and enables international expansion.

- **The next phase of global expansion requires sustainable and systematic execution, not just speed**
  Enterprises should shift their focus from scale-driven expansion to high-quality operations by integrating strategic market selection, proactive compliance planning, brand building, localization and supply chain resilience. Meanwhile, governments, industry associations and professional services providers should continue strengthening regulatory frameworks, financial support mechanisms, talent development and service ecosystems to help enterprises expand globally in a more sustainable and cost-efficient manner.

> Pioneering an "ecosystem-driven" approach to global expansion will be the decisive factor in securing a more resilient and sustainable competitive advantage in the new global landscape. For the GBA, the imperative for the next stage is to systematically enhance its support framework, enabling enterprises to deeply integrate into overseas markets and ensure long-term, compliant operations.

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4. Lalamove
5. SF Group

1 Source: cnbayarea.org.cn
2 Source: Xinhua News

Overview of EY GBA Globalized Ecosystem framework

Amid profound global value chain restructuring and accelerating global expansion of Chinese enterprises, the GBA, with its institutional diversity, concentrated endowments of production factors and industrial completeness, is becoming a vital hub for going global. To systematically articulate this advantage, EY introduces the GBA Globalized Ecosystem framework. Anchored in the overarching vision of "building global competitiveness × participating in global value chain restructuring", the framework is centered on "Four Pillars and Eight Dimensions" and grounded in the coordinated development of Guangdong, Hong Kong and Macao. Together, these elements form a comprehensive ecosystem that supports enterprises' global expansion. The GBA Globalized Ecosystem not only serves as a panoramic roadmap but also reveals the key to success: integrating the eight dimensions to transform the GBA's locational and institutional advantages into global competitiveness, shifting global expansion from isolated breakthroughs to systematic, ecosystem-driven expansion.

Figure: EY GBA Globalized Ecosystem

Four Pillars	Eight Dimensions	Ecosystem Value
Institutions and rules	1. Policy and rules	Leverage the synergistic advantages of policies and align with high-standard international trade and economic rules to reduce cross-border institutional transaction costs
	2. Risk compliance and ESG	Strengthen geopolitical and data security safeguards, integrate international ESG standards and enhance business credibility
Factor mobility	3. Finance, capital and currency	Leverage Hong Kong's financial hub status to facilitate cross-border financing, fund allocation, RMB settlement and other services
	4. Talent and professional services	Consolidate professional services such as legal, tax, financial and intellectual property to provide intellectual support
Industry and innovation	5. Industry and cluster going global	Enhance international competitiveness, drive upstream-downstream collaboration in competitive industries and improve overseas operations and risk resilience
	6. Technological innovation	Promote international export of technology standards and patents, enabling global R&D collaboration
Infrastructure and hub network	7. Infrastructure and logistics	Leverage world-class ports and airport clusters to build high-efficiency, low-cost logistics networks
	8. Global supply chain and production capacity	Optimize global production capacity layout to enhance cross-border supply chain resilience and security

Challenges and responses for GBA enterprises going global

GBA enterprises benefit from geographic advantages and a strong industrial ecosystem during overseas expansion, yet face multiple challenges, including high compliance costs, global talent shortage, localization difficulties and spillover of intense domestic competition. For enterprises, these challenges are no longer merely market entry issues, but systemic challenges affecting stability, organizational efficiency and long-term profitability of cross-border operations. To address these challenges, enterprises should continuously strengthen their own capabilities while working in synergy with the institutional support and public services provided by governments and industry associations, driving Chinese enterprises' global expansion toward high-quality development.

High compliance risks and costs weigh on operational stability

Overseas regulatory environments vary significantly and are increasingly complex, with stricter requirements across taxation, data privacy, labor rights, export controls and ESG. Enterprises need to navigate these evolving standards or face extended project execution and rising operational costs. Meanwhile, most enterprises lack sound compliance mechanisms and professional capabilities to embed risk management throughout investment decisions and long-term operations. Geopolitical tensions and policy volatility in some countries further heighten the uncertainty of operational continuity and overseas assets.

Recommendations

- **Enterprise level:** Systematically select target markets and expansion pathways – conduct thorough, systematic risk assessments before investment and integrate compliance management into core strategies. Companies should establish dynamic monitoring mechanisms and engage with regulators in target countries. In addition, enterprises should leverage local law and consulting firms, and industry associations to deepen ties with local partners, bridge cultural and institutional gaps and overcome localization barriers. They can also build a compliance management system combining headquarters' oversight with local support to reduce trial-and-error costs.
- **Government level:** Provide support and guidance by leveraging cross-border platforms such as commerce departments and industry associations to strengthen policy communication with regulators in target markets. Governments can also build public compliance service platforms in key regions and industries to reduce enterprises' compliance costs. They can collaborate with professional institutions for dedicated training and talent development to lower institutional entry barriers and enhance enterprises' compliance capabilities for going global.

Global talent shortage hinders cross-border organizational management

With the acceleration of global expansion, companies face urgent demand for versatile management professionals with both technical expertise and an international mindset, coupled with deep understanding of overseas regulatory environments, yet market supply remains relatively limited. Meanwhile, local talent reserves are insufficient. Attracting and retaining quality local talent overseas remains challenging due to limited brand recognition and cultural differences. Furthermore, as the number of overseas branches continues to grow, defining the appropriate division of responsibilities between headquarters and local entities, while ensuring effectiveness and empowering local teams becomes increasingly complex. Cross-time-zone and cross-cultural communication efficiency and execution consistency also face significant tests. Without clear control boundaries and digital collaboration mechanisms, enterprises can easily fall into the dilemma of either headquarters micromanagement with slow local response, or insufficient oversight that triggers compliance risks.

Recommendations

- **Talent acquisition and matching:** Enterprises can forge deep partnerships with domestic and international universities, professional institutions and international student platforms, using joint training programs and scholarships to secure potential talent and build stable international talent pipelines. Governments and industry associations can serve as bridges by regularly organizing targeted job fairs to precisely match the hiring needs and by partnering with international student service agencies to attract students with cross-border academic experience.
- **Organizational management optimization:** Enterprises should establish an appropriate overseas control system, clearly defining headquarters' oversight responsibilities in strategy, finance and risk control while granting reasonable autonomy to overseas teams. Companies can build performance-linked incentive systems and leverage digital tools and data dashboards for process transparency and real-time risk monitoring, enhancing overall cross-border operational efficiency.

High localization barriers impede brand development

Significant market variations in consumer habits, channels and cultures mean that companies cannot simply replicate a uniform business model for overseas operations. In popular markets such as Southeast Asia, countries differ markedly in national conditions, culture, religion, market demand and regulatory requirements. Enterprises generally need to adopt a refined "one country, one strategy" approach, which places considerable demands on market intelligence, talent deployment and resource allocation. Currently, many Chinese enterprises remain in a "strong product, weak brand" phase, prone to relying on price competition for early market entry but struggling to build long-term brand recognition and customer loyalty. Moreover, some enterprises view ESG and social responsibility as compliance costs or one-off investments, lacking a long-term commitment mindset, which undermines deep trust within local mainstream society.

Recommendations

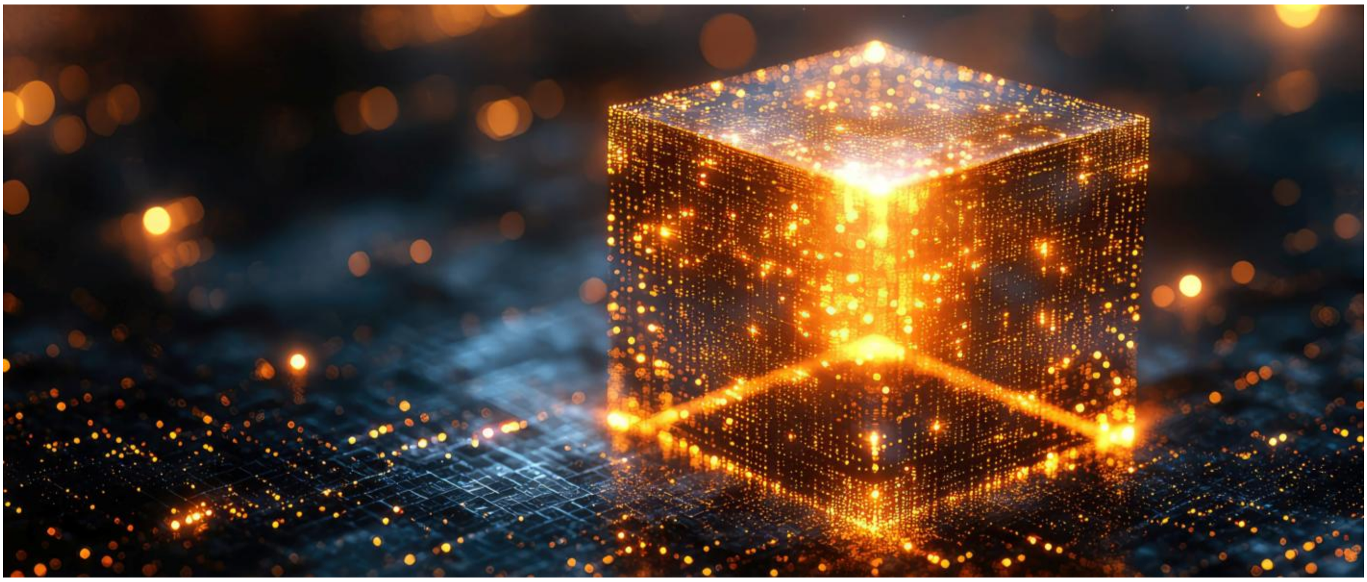
- **Strategy and brand localization:** Enterprises should conduct thorough research before entering target markets, adjusting product positioning, pricing models and marketing strategies based on local consumer preferences and distribution channels. Meanwhile, they should promote workforce localization and tell brand stories from a local perspective, ensuring agile and locally relevant business decisions.
- **Integration into local ecosystems:** Enterprises should regard ESG and community engagement as long-term strategic investments, building trust and a responsible multinational corporate image through community development and support for local community initiatives.
- **Leverage Hong Kong and Macao's strengths:** Fully utilize Hong Kong's internationally aligned legal system and professional service resources to quickly connect with global brand operations and ESG standards. Leverage Macao's ties with Portuguese-speaking countries to facilitate market entry into these regions.

Intense homogeneous competition erodes profitability

Domestic market saturation is driving intense "involution" abroad, as Chinese firms replicate business models and strategies in key overseas markets, intensifying the competition. Over-reliance on price competition undermines sustainable operations and brand value. Also, enterprises are competing for local channels, talent and supply chain resources, further driving up operational costs in a zero-sum game. In the long term, this harms both enterprises' profitability and the overall image of Chinese enterprises overseas.

Recommendations

- **Differentiation and collaborative global expansion:** Enterprises should focus on niche segments and application scenarios, building differentiation through technology, service and brand while shifting from price competition to value competition. Meanwhile, enterprises are encouraged to "go global together" through joint ventures or supply chain collaboration: first, sharing logistics, warehousing and other infrastructure in the early stages to reduce standalone operational costs; second, complementing upstream and downstream resources to share overseas opportunities; third, jointly addressing industry-wide compliance reviews and trade barriers to enhance collective bargaining capability, share compliance costs and systemic risks and build a resilient overseas industrial ecosystem.
- **Industry self-regulation and information guidance:** Industry associations and outbound alliances should establish communication and coordination mechanisms and dispute mediation platforms in key destinations and formulate industry self-regulation conventions. Governments or industry associations should lead the development of outbound market information platforms, regularly publishing market saturation information and risk warnings to reduce blind clustering of enterprises.



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