Firstly, there are two reasons for the acquisition and joint venture — One is the combination of international factors of production. Another one is the market characteristics faced by transnational corporations.

Second, when a company implements a global diversification strategy, the strategic competitiveness of the firm will increase, and the market size will increase to seek the market. The most important of the outward investment motivations is the search for market-oriented FDI. Third, ABB  seeks efficiency and have two drivers. One is the rise in production costs in the mother economy, especially labor costs. Second, competitive pressures on developing-country companies are driving them to expand overseas. Fourth, seek resources. Most FDI finding resources are in developing countries. Companies can gain access to cheap labor, critical resources, or customers through location to develop a competitive advantage. Fifth, seek out-of-the-box assets. Its primary motivation is to actively acquire the brand, advanced technology, and management experience of developed country enterprises, such as ready-made assets.

Last but not least, acquisitions and joint ventures can protect companies from international access and reduce risk. It also helps to enhance its international image and build market resources