International Business and Accounting Research Journal
Volume 8, Issue 1, January 2024, 31-50
http://journal.stebilampung.ac.id/index.php/ibarj

The Influence Factors on The Choice of Trade Pricing Currency by Chinese Enterprises: The Mediating Role of Perceived Behavioural Control

Hang Lyu, Mohamad Nasir Saludin

Infrastructure University Kuala Lumpur (IUKL), Kajang, Hulu Langat District, Selangor, Malaysia

Info Articles

Keywords:
Regional Comprehensive Economic Partnership (RCEP), Trade Pricing, China Yuan (CNY), Perceived Behavioural Control (PBC), Stimulus-Organism-Response (SOR) Model

Abstract

This study adopts the trading economics theory, currency denomination in international trade theory, combined with the Stimulus-Organism-Response (SOR) Model and Porter's Five Forces Model as a basis, to examine the influence factors on the intention to use CNY for trade pricing currency. Moreover, the impact of perceived behavioural control (PBC) and its decomposition (perceived capacity and perceived autonomy) as the mediators on the intention to use CNY also were analysed. The innovation of this paper is to use structural equation modelling (SEM) to verify the hypothesis an d the influence path of variables and analyse the conditional configuration that affects the willingness to use trade pricing currency from the perspective of factor combination in the context of trade preferential agreements (RCEP). A total of 416 respondents were selected as the source of data collection for this study using quantitative methods. The questionnaires were distributed in Henan Zhengzhou Airport Economy Zone using a random probability sampling method. Finally, taking trade pricing as the entry point, this paper will discuss whether it could enhance the influence of CNY in RCEP countries through trade channels, to provide a foothold for promoting the internationalisation of CNY in the short term.

*Address Corespondence:
E-mail: fionsea@qq.com, mnasir.saludin11@gmail.com

p-ISSN 2550-0368
e-ISSN 2549-0303

INTRODUCTION

The Regional Comprehensive Economic Partnership (RCEP) had been formally signed in November 2020 (Shen, 2021). This marks the official birth of the world's largest free trade area, which is dominated by Asian economies. The population, economic aggregate and intra-regional trade of RCEP members account for about 30% of global trade volume, which is based on the ten ASEAN countries, plus China, Japan, South Korea, Australia and New Zealand (Shen, 2021). It is the largest free trade area in the world and of great significance to the economic integration of Asia (Shen, 2021). Thus, the Regional Comprehensive Economic Partnership (RCEP) would conduce to increasing the investment and trade dependence of member countries. With the increasingly close economic and trade relations in East Asia, the dependence of East Asian countries on the United States and the European Union would decrease to a certain extent. Meanwhile, it would also affect the status of the U.S. dollar, euro and sterling in Asia. The China Yuan (CNY), by contrast, would be more widespread. This would further accelerate the process of CNY internationalisation. The purpose of this paper is to test whether the CNY could serve as a trade invoicing currency in RCEP countries in the context of China's deep involvement in the Asian value chains. Thus, it could provide a basis for China to enhance the regional influence of the CNY through the trade channel in the short term. This study investigates the intention of Chinese firms to use CNY as a trade pricing currency in their trade with RCEP countries. CNY trade pricing is an important part of achieving CNY internationalisation. However, most of the studies in this area focus on the promotion of CNY internationalisation by the trade settlement function, and few studies discuss the trade pricing perspective based on it. Moreover, existing studies are based on statistical analysis of secondary data, ignoring the behavioural intentions of frontline enterprises. This creates a large gap in the survey of Chinese enterprises' intention to choose CNY as the trade pricing currency in international trade. Therefore, this study adopts the trading economics theory, currency denomination in international trade theory, combined with the Stimulus-Organism-Response (SOR) Model and Porter's Five Forces Model as a basis, to examine the influence factors on the intention to use CNY for trade pricing currency. Moreover, the impact of perceived behavioural control (PBC) and its decomposition (perceived capacity and perceived autonomy) as the mediators on the intention to use CNY also were analysed. The innovation of this paper is to use structural equation modelling (SEM) to verify the hypothesis and the influence path of variables and analyse the conditional configuration that affects the willingness to use trade pricing currency from the perspective of factor combination in the context of trade preferential agreements (RCEP). A total of 416 respondents were selected as the source of data collection for this study using quantitative methods. The questionnaires were distributed in Henan Zhengzhou Airport Economy Zone using a random probability sampling method. The analysis software was STATA software (version 16.0) and Smart PLS software (version 4.0). Finally, taking trade pricing as the entry point, this paper will discuss whether it could enhance the influence of CNY in RCEP countries through trade channels, to provide a foothold for promoting the internationalisation of CNY in the short term.

SIGNIFICANCE OF THE STUDY

China is the world's second-largest economy in nominal terms and the world's top economy in terms of purchasing power parity (PPP) (Chow & Law, 2019). Since the turn of the century, China has worked to give the CNY a more important role in the international arena (Srinivas & Cheng, 2021). The CNY exchange rate regime was also reformed in 2005 and has been liberalised since then (Srinivas & Cheng, 2021). Since 2009, China has signed bilateral currency swap agreements with many countries and in 2016, the International Monetary Fund (IMF) included the CNY in the SDR currency basket (Srinivas & Cheng, 2021). The Chinese

authorities have also taken some other measures to promote a greater international role for the CNY. However, as the world's second-largest economy, China has been slow to promote the globalisation of CNY after several exchange rate reforms (Wong, 2020; McCauley & Shu, 2019).

As the former second-largest economy, the study of currency internationalisation in Japan has also attracted much attention. Frankel & Wei (1994) discussed whether the Japanese yen bloc could replace the dollar bloc in the Asian region. They used empirical research to conclude that the Japanese yen is not a substitute for the dollar. Meanwhile, a few studies (e.g., Frankel & Wei, 1994; Takagi, 2011) provide insights into the internationalisation of the Japanese yen at the policy level of monetary managers. However, the conclusion reached is that at the end of these internationalisation efforts, the international status of the Japanese yen remains essentially where it began three decades ago. In recent years, as China has replaced Japan to become the world's second-largest economy, as well as a similar regional position, has also had to face the question of how to avoid following the same path as the failed internationalisation of the Japanese yen.

Meanwhile, previous CNY internationalisation researches (e.g., Li, Ma & Xu, 2015; Srinivas & Cheng, 2021) are based on the trade settlement function and do not consider the promotion of CNY internationalisation through the perspective of intra-regional trade invoicing currency. Addressing this gap in the literature is important in exploring possible approaches to CNY internationalisation. Srinivas and Cheng (2021) state that, for China as the world's largest trading country, the initial step of CNY internationalisation, which is to promote the function of CNY trade settlement, has not been a success. Since July 2009, Chinese authorities have started to settle imports and exports in renminbi, with Hong Kong, Macau and ASEAN countries designated as pilot regions outside mainland China (Srinivas & Cheng, 2021). However, many recent empirical studies (e.g., Li, Ma & Xu, 2015; Gopinath et al., 2020) have found that the position of the US dollar as the dominant currency in international trade remains strong compared to other currencies such as the CNY. Moreover, China's financial system is incomplete and has not developed trade infrastructures from those related to the structure of the international financial system (Tobin, 2022).

However, Li, Ma and Xu (2015) studied the response of Chinese exporters to CNY exchange rate changes at the enterprise level. It is found that the price response of CNY to exchange rate changes is very small, while the volume response is moderate and significant. The current study is inconclusive about the possible reasons for this result. The most likely reason should be that Global Value Chains (GVCs) and Asia have changed the trade currency relations (Soyres, Frohm & Gunnella, 2020). Studies by Bergstrand et al. (2015) and Baier et al. (2014) have proved that the impacts of global value chains on global and regional industrial structures are complementary to preferential trade agreements. Furthermore, many previous researches (e.g., Liu, 2014; Han & Zhao, 2018) have failed to consider the moderating role of preferential trade agreements in the relationship between influence factors and trade pricing currency choice. Addressing this shortcoming in the literature is important to reveal that the CNY has not been used on a large scale in international trade despite China's fulfilment of the conditions of the influencing factors. In addition, the relative theories on preferential trade agreements have provided an understanding of the mechanisms by which the Regional Comprehensive Economic Partnership (RCEP) could act as a moderator in choosing CNY as the trade pricing currency.

Previous studies have identified several factors that lead to the trade pricing currency choice for international trade. Devereux et al. (2010) take the study of the efficiency of the use of traded currencies as an entry point to the idea that the monetary aggregates, the size of the economy of the country with the traded currency and the monetary policy determine the efficiency of the use of currencies in international trade. In addition, many researchers, such as Twarowska-Mol (2023) and Wang & Zhan (2022), have studied the influencing factors of international trade pricing choice, which can be categorized into macro and micro factors. According to Twarowska-Mol (2023), the macro factors influencing the choice of currency in international trade mainly include

the inflation level, the exchange rate fluctuation range, the money supply and the economic aggregate. However, macro factors affecting the choice of currency of denomination should also take into account factors such as the level of interest rates in a country, the return on assets and economic growth (Twarowska-Mol, 2023). Large macroeconomic fluctuations in a country can cause its choice of denomination to shift away from that country's currency in favour of other currencies (Luo & Xu, 2012). In contrast, macroeconomic fluctuation in older industrialised countries will be much smaller than in emerging market countries (Luo & Xu, 2012). As a result, the currencies of emerging market countries are used as denominated currencies relatively infrequently in international trade. However, according to Luo (2012), China, as an emerging economy, holds a more promising outlook for the internationalisation of its currency compared to established industrialised nations. The current trends of gradual CNY appreciation, accelerated economic growth, a stable macroeconomic environment, and rising asset yield collectively create favourable external conditions that are expected to contribute to an increase in the volume of CNY settlements in international trade (Luo, 2012). Investigations into pertinent influencing factors are often constrained by their reliance on secondary data measurement and collection methods, predominantly centred around macroeconomic data analysis. Consequently, the outcomes of such studies tend to exhibit complexity and disorder, highlighting a deficiency in comprehensive investigations based on primary data sources. The inconsistencies and mixed findings in the above discussion warrant further investigation to be conducted on the relationships between the macro influence factors, and the intention to use CNY as the trade pricing currency.

Similarly, the relationship between micro-influence factors and intention to use CNY as the trade pricing currency has been investigated considerably. Since 1980, firms' profit maximisation has become a new perspective for scholars to study the choice of currency for cross-border trade (Smith et al., 2008). The expected profit maximisation model, the bargaining model and the market share model have become the micro-enterprise decision-making model to explain the micro determinants of the pricing currency choice. The expected profit maximization model takes the profit maximization of the firm as the goal, and the changes in the firm's cost and product demand are the important influencing factors to explore the pricing currency choice, to seek the partial equilibrium of the pricing currency choice of the firm (Smith et al., 2008). As the structural elements of the industry are limited, their structural indicators are not sufficient to capture the essence of competition as they only provide information about the outcome of competition (Kemp & Hanemaaijer, 2004). Thus, this allows them to be used as inputs in the interpretation process but does not provide insight into the competitive process itself. Meanwhile, the competitive process behind the competitive outcome is equally important, especially as a measurement tool (Kemp & Hanemaaijer, 2004). Therefore, in the study, we need to utilise a suitable tool to measure perceived competitiveness at the market level to reflect the market competitiveness of firms and products. Ultimately to verify whether firms could dominate the choice of trade pricing currency in international trade.

Scholars also believe that it is necessary to consider the perceived behavioural control of organisms when studying the influence of factors on behavioural intentions, as it plays a significant role in shaping an individual's actions and decisions (Aga & Singh, 2022). Perceived behavioural control (PBC) refers to the extent to which an individual believes they have control over their actions and choices (Aga & Singh, 2022). Concurrently, the construct of perceived behavioural control can be disaggregated into the perceived autonomy from internal influences and the perception of availability linked to external influences (Lim & Weissmann, 2023). Furthermore, Organisational Behavior (OB) is a social science discipline that enhances the ability to predict, guide, and control human behaviour within specific organisational systems by studying the psychology and behavioural patterns of individuals (Cross & Carbery, 2022). It aims to achieve predefined organisational objectives. Existing research on the relationship between perceived behavioural control and behavioural intentions has predominantly focused on the

psychological aspects of individual behaviour, neglecting research in the direction of organisational behaviour (Radic et al., 2022; Almajali et al., 2022; Huong et al., 2021). As organisations are organic entities composed of individuals, their decisions and actions should also be grounded in the foundational research of perceived behavioural control. In addition, relevant studies have focused on the use of the Theory of Planned Behaviour for the selection of digital currency use, and there is a lack of research in the area of currency selection related to international trade. Therefore, given the influence of perceived behavioural control on the choice of behavioural intentions, it becomes essential to explore the mediating role of perceived behavioural control across its two distinct dimensions concerning macro-level influencing factors, micro-level influencing factors, and the intention to use CNY as the trade pricing currency.

LITERATURE REVIEW

Existing studies have shown that in international trade, many factors affect the choice of the pricing currency of trading enterprises, such as the industrial competitiveness of trading enterprises, the degree of differentiation of import and export products, the stability of currency value, exchange rate, inflation rate, economic volume and so on (Liu, 2014; Han & Zhao, 2018). Based on the previous empirical research results, this paper explores the factors that affect the currency choice of Chinese enterprises' international trade from micro and macro dimensions. Among them, the micro factor could be briefly described as the industrial competitiveness owned by trading enterprises, reflected in the trading enterprises' perception of competition in this study. Macro factors include currency strength and economic strength behind the currency chosen by the trading enterprises, and corresponding research hypotheses are put forward.

Samiee and Anckar (1998) demonstrate through a cross-national evaluation of currency choice in industrial pricing that there is a strong correlation between trade currency choice and the industrial competitiveness and strategy of enterprises. At the same time, strong industrial competitiveness has brought about an increase in the market share of enterprises. According to Fukuda and Ono (2006), market share is an important factor in determining the negotiating power of international trade enterprises. Donnenfeld and Haug (2003) have pointed out that, for exporters, the larger their market share in international trade, the more in international trade in the choice of currency in a favourable position. Meanwhile, the results of Bacchetta and Van Wincoop (2005) also indicate that the less competition a firm faces for market share and product differentiation in foreign markets, the more likely they are to use domestic currency for settlement.

The bargaining model is a game model, i.e. it is mainly modelled by applying the methodology of the complete information dynamic game to simulate the basic or indefinite complete information bargaining process (El Fakir et al., 2023). This model is also regarded as the process of a cooperative game, that is, by establishing a bargaining game model between importers and exporters, to study the incentive mechanism of the pricing currency choice of both sides of international trade (El Fakir et al., 2023). Further, it explores the impact of the negotiating power of both importers and exporters in international trade on the choice of pricing currency (El Fakir et al., 2023). As in international trade, the ultimate goal of enterprises is to maximise profits. In this context, both sides of international trade would choose the domestic currency settlement as far as possible, to reduce costs, and ultimately make the benefit maximisation (El Fakir et al., 2023). Based on the bargaining model, the competitiveness of a firm's export products is the ultimate determinant of a firm's bargaining power in trade (Bacchetta & Van Wincoop, 2005).

Given theoretical perspectives on similarities and differences in perceptions of competition among firms in the same industry, we expect greater convergence in perceptions of the competitive environment. In this process, many scholars (Porac et al., 1995; Peteraf & Shanley, 1997) have argued that firms have more or less the same perceptions of competition in a given industry. This means that we believe that through various psychological, institutional and social

processes, certain stable groups of firms would emerge over time, which would lead to a consistency in the perception of competition (Kemp & Hanemaaijer, 2004). The adoption of this position in this study has the following implication for measuring the perception of competition within a market, which is that perceived competition within a market could be measured by an individual's assessment of the level of competition (Kemp & Hanemaaijer, 2004). In this study, Porter's five forces model theory has been chosen as a suitable tool to measure perceived competitiveness at the market level to reflect the market competitiveness of firms and products. Meanwhile, Porter's five forces model theory, suggests that the nature and extent of competition could be described in terms of five competitive forces: competitive rivalry, the threat of entrants or substitutes, and the power of suppliers and buyers (Kemp & Hanemaaijer, 2004).

Furthermore, conceptually, perceived behavioural control (PBC) is defined as an individual's perception of the ease or difficulty of performing a particular behaviour (Giri et al., 2023). It encompasses the person's beliefs about the presence of factors that may facilitate or impede the behaviour. These factors could include both internal factors, such as one's abilities and resources, and external factors, such as environmental conditions or constraints (Giri et al., 2023). People believe they can perform a behaviour when they are confident that they have the resources and opportunities to perform that behaviour, and that they are free to decide how to use those resources and opportunities (Lim & Weissmann, 2023). Consistent with this, perceived behavioural control has been conceptualised as an explicit construct with two aspects: perceived capacity and perceived autonomy (Lim & Weissmann, 2023). Perceived capacity refers to the extent to which an individual believes that he or she can perform a behaviour; whereas perceived autonomy indicates the extent to which an individual believes that he or she is in control of behavioural performance (Lim & Weissmann, 2023). In this study, the enterprises' perception of product competitiveness as the micro factor affects the perceived autonomy, and the relatively weak perception of the industrial environment reflects the enterprises' strong product competitiveness, which could strengthen the enterprises' perceived autonomy in choosing the local currency as the trade pricing currency. Based on the results discussed, the following hypotheses were made to test the questions in this study:

H1a: The perceived threat from rivals negatively affects Chinese enterprises' perceived autonomy of CNY as the trade pricing currency.
H1b: The perceived threat from entrants negatively affects Chinese enterprises' perceived autonomy of CNY as the trade pricing currency.
H1c: The perceived threat from substitutes negatively affects Chinese enterprises' perceived autonomy of CNY as the trade pricing currency.
H1d: The perceived pressure from supplier substitutes negatively affects Chinese enterprises' perceived autonomy of CNY as the trade pricing currency.
H1e: The perceived pressure from buyer substitutes negatively affects Chinese enterprises' perceived autonomy of CNY as the trade pricing currency.

In international trade, the more competitive the export products of Chinese enterprises are, the more able they are to choose the pricing currency according to their interests and needs. Similarly, Chinese enterprises are more inclined to choose CNY as the trade pricing currency only when CNY meets their interest needs. Thus, in international trade, trading enterprises are more inclined to choose a currency with stable currency value as the invoicing currency (Han & Zhao, 2018). In the international market, it is far more costly and difficult for enterprises on both sides of the import and export trade to search for currency information than in the domestic market (Han & Zhao, 2018). As a result, the choice of invoicing currencies is made more carefully. The high cost of currency information and exchange risk affects firms' choice of foreign currencies as trade currencies, with firms preferring domestic currencies to hedge trade risks (Page, 2020). Low

historical inflation rates, highly transparent monetary policies and stable exchange rates tend to convey the message of currency stability, thus, international trading enterprises are more inclined to choose such currency as the denomination currency (Han & Zhao, 2018). Therefore, the third research hypothesis of this paper is put forward:

H2a: The currency strength has a positive impact on Chinese enterprises' perceived capacity of CNY as the trade pricing currency.

Furthermore, when international trading enterprises choose the currency of denomination, they also take into account the guarantee ability and credit risk hidden behind the value of the currency, and economic strength is an important measure (Devereux et al., 2010). The greater the economic strength of a country, the stronger the guarantee it could provide for its currency (Devereux et al., 2010). When international trading enterprises choose that country's currency as the invoicing currency, the lower the credit risk they assume (Devereux et al., 2010). According to Page (2020), the empirical experiences associated with the US Dollar, British Pound, and Japanese Yen underscore the likelihood that traders exhibit a preference for strong currencies, potentially attributed to lower price inflation, enhancing predictability yet subject to influence by other mitigating factors. Furthermore, the currency policies enacted by governments, encompassing foreign exchange controls, and a nation's predominant position within a specific regional context, emerge as more immediate determinants impacting the trends of currencies in these two nations (Page, 2020). As a result, the following hypothesis is argued:

H2b: The economic strength has a positive impact on Chinese enterprises' perceived capacity of CNY as the trade pricing currency.

Additionally, People believe they can perform a behaviour when they are confident that they have the resources and opportunities to perform that behaviour, and that they are free to decide how to use those resources and opportunities (Lim & Weissmann, 2023). Consistent with this, perceived behaviour has been conceptualised as an explicit construct with two aspects: perceived capacity and perceived autonomy (Lim & Weissmann, 2023). Perceived capacity refers to the extent to which an individual believes that he or she can a behaviour; whereas perceived autonomy indicates the extent to which an individual believes that he or she is in control of behaviour (Lim & Weissmann, 2023). In this study, the enterprises' perception of product competitiveness as the micro factor affects the perceived autonomy, and the relatively weak perception of the industrial environment reflects the enterprises' strong product competitiveness, which strengthens the enterprises' perceived autonomy in choosing the local currency as the trade pricing currency. At the same time, the enterprises' perception of the economic background and monetary policy of the domestic currency as the macro factors affect the perceived capacity, and relatively strong economic and currency strength would enhance the enterprises' perceived capacity to use the domestic currency as the trade pricing currency.

In addition, in different contexts, many studies have shown that perceived behavioural control has been found to have a significant impact on various behaviours and intentions. Aga and Singh (2022) found that perceived behavioural control positively influences entrepreneurial intentions. Besides, we found that the competence to perceived behavioural control was a significant factor affecting students' future intention to enrol in interested courses (Ong, 2022). In addition, another behaviour research indicates that perceived behavioural control was found to have a positive impact on intentions toward responsible marine environmental behaviour. Therefore, considering perceived behavioural control is essential when studying the factors that influence behavioural intentions. As a result, the following hypothesis is argued:

H3: The perceived autonomy has a positive impact on Chinese enterprises' intention to use CNY as the trade pricing currency.
H4: The perceived capacity has a positive impact on Chinese enterprises' intention to use CNY as the trade pricing currency.

Scholars also believe that it is necessary to consider the perceived behavioural control of organisms when studying the influence of factors on behavioural intentions, as it plays a significant role in shaping an individual's actions and decisions (Aga & Singh, 2022). Perceived behavioural control (PBC) refers to the extent to which an individual believes they have control over their actions and choices (Aga & Singh, 2022). Concurrently, the construct of perceived behavioural control can be disaggregated into the perceived autonomy from internal influences and the perception of availability linked to external influences (Lim & Weissmann, 2023). Furthermore, Organisational Behavior (OB) is a social science discipline that enhances the ability to predict, guide, and control human behaviour within specific organisational systems by studying the psychology and behavioural patterns of individuals (Cross & Carbery, 2022). It aims to achieve predefined organisational objectives. Existing research on the relationship between perceived behavioural control and behavioural intentions has predominantly focused on the psychological aspects of individual behaviour, neglecting research in the direction of organisational behaviour (Radic et al., 2022; Almajali et al., 2022; Huong et al., 2021). As organisations are organic entities composed of individuals, their decisions and actions should also be grounded in the foundational research of perceived behavioural control. In addition, relevant studies have focused on the use of the Theory of Planned Behaviour (TPB) for the selection of digital currency use, and there is a lack of research in the area of currency selection related to international trade. Therefore, given the influence of perceived behavioural control on the choice of behavioural intentions, it becomes essential to explore the mediating role of perceived behavioural control across its two distinct dimensions concerning macro-level influencing factors, micro-level influencing factors, and the intention to use CNY as the trade pricing currency. As a result of the arguments, the following hypothesis is put forward:

H5a: The perceived autonomy of CNY as the trade pricing currency plays a mediating role between the perceived threat from rivals and Chinese enterprises' intention to use CNY.
H5b: The perceived autonomy of CNY as the trade pricing currency plays a mediating role between the perceived threat from entrants and Chinese enterprises' intention to use CNY.
H5c: The perceived autonomy of CNY as the trade pricing currency plays a mediating role between the perceived threat from substitutes and Chinese enterprises' intention to use CNY.
H5d: The perceived autonomy of CNY as the trade pricing currency plays a mediating role between the perceived pressure from suppliers and Chinese enterprises' intention to use CNY.
H5e: The perceived autonomy of CNY as the trade pricing currency plays a mediating role between the perceived pressure from buyers and Chinese enterprises' intention to use CNY.
H6a: The perceived capacity of CNY as the trade pricing currency plays a mediating role between currency strength and Chinese enterprises' intention to use CNY.
H6b: The perceived capacity of CNY as the trade pricing currency plays a mediating role between economic strength and Chinese enterprises' intention to use CNY.

Besides, one of the most remarkable economic events since World War II has been the proliferation of preferential trade agreements (PTAs), including free trade agreements (FTAs) and customs unions (CUs) (Bergstrand et al., 2015). The study of such agreements has largely followed two paths, one "normative" and one "positive" (Bergstrand et al., 2015). The normative path looks at what impacts PTAs have, while the "positive" looks at what factors explain and

predict which pairs of countries have free trade agreements (Bergstrand et al., 2015). Based on Krugman (1991) and Frankel (1997), Baier and Bergstrand (2004) introduced asymmetric absolute and relative factor endowments into a Krugman-type increasing returns/ monopolistic competition model. This provides theoretical evidence that the net utility gains from bilateral PTAs depend on the size of the two countries' economies and their economic similarities, bilateral distance and relative factor endowments (Bergstrand et al., 2015). Meanwhile, using a single cross-sectional data from 1996, Baier et al. (2014) used probability analysis to show that these economic factors that tend to increase the utility of country pairs from PTAs also tend to increase the likelihood that country pairs have PTAs. Moreover, many researchers such as Quadros and Azevedo (2022) and Kim (2013) found that free trade agreements could effectively increase the use of currencies between countries in international transactions. As a result of the arguments, the following hypothesis is put forward:

As the world's second-largest economy and trading nation, China has been slow to promote the globalisation of CNY after several exchange rate reforms (Wong, 2020). Similarly, a large number of studies on Japan, formerly the world's second-largest trading nation, have found that the overwhelming international trade market share of firms in that country does not support the international use of the national currency either (Frankel, 1992; Ito & Kawai, 2016). As the world's number one trading nation and a key player in the Global Value Chains, the Regional Comprehensive Economic Partnership (RCEP) was formally signed in 2020, which is dominated by China considering the Chinese market share (Shen, 2021). This marks the official birth of the world's largest free trade area, which is dominated by Asian economies (Shen, 2021). Due to many researchers such as Quadros and Azevedo (2022) and Kim (2013) found that free trade agreements could effectively increase the use of currencies between countries in international transactions.

According to Bacchetta and Van Wincoop (2005), the less competition firms face in foreign markets, the more likely they would price in their currency. As the world's number one trading nation and a key player in the Global Value Chains, China's level of CNY internationalisation does not match its trading status (Hao & Han, 2022). Based on the classification of global value chain patterns by IMF (2022), global value chains could be divided into simple global value chains dominated by bulk commodities and complex global value chains dominated by electronic products and textiles. The RCEP countries are therefore part of a complex value chain, with China playing a key role for the RCEP countries, especially the ASEAN countries, which produce intermediate goods for sale to China, which then exports the final goods to Europe and the United States by processing them (IMF, 2022). On the one hand, for China's imports, the signing of the preferential trade agreement strengthens China's role as a key link in the value chain in the RCEP region. On the other hand, for China's exports, the signing of the preferential trade agreement RCEP means that China is free of tariff barriers in the region, which would further boost the differentiation and competitiveness of its products in the region and potentially promote the use of the CNY in intra-regional trade. Going by this logic, it is hypothesised that:

H7a: The preferential trade agreement moderates the relationship between the perceived threat from rivals and the perceived autonomy of CNY as the trade pricing currency.

H7b: The preferential trade agreement moderates the relationship between the perceived threat from entrants and the perceived autonomy of CNY as the trade pricing currency.

H7c: The preferential trade agreement moderates the relationship between the perceived threat from substitutes and the perceived autonomy of CNY as the trade pricing currency.

H7d: The preferential trade agreement moderates the relationship between the perceived pressure from suppliers and the perceived autonomy of CNY as the trade pricing currency.

H7e: The preferential trade agreement moderates the relationship between the perceived pressure from buyers and the perceived autonomy of CNY as the trade pricing currency.

Low historical inflation rates, highly transparent monetary policies, and stable exchange rates are all factors that contribute to conveying the message of stable currency values and facilitating the signing of preferential trade agreements (Weldzius, 2018; Nenbee & Orji, 2021). Firstly, Low inflation rates could signal to trading partners that a country's currency is stable and reliable (Weldzius, 2018). This could make it easier to negotiate trade agreements, as partners might be more willing to enter into long-term agreements if they believe that the currency values will remain stable over time (Weldzius, 2018; Nenbee & Orji, 2021). Secondly, Transparency in monetary policies could help to build trust between trading partners (Nenbee & Orji, 2021). When countries are open about their monetary policies, it could help to reduce uncertainty and increase confidence in the stability of their currencies (Weldzius, 2018; Nenbee & Orji, 2021). This could make it easier to negotiate trade agreements, as partners might be more willing to enter into agreements if they believe that the monetary policies of their trading partners are transparent and reliable (Weldzius, 2018; Nenbee & Orji, 2021). Thirdly, Stable exchange rates could help to reduce the risk of currency fluctuations, which could be a major barrier to international trade (Weldzius, 2018). When exchange rates are stable, it could make it easier for trading partners to plan for the future and make long-term investments. This could make it easier to negotiate trade agreements, as partners may be more willing to enter into agreements if they believe that the exchange rates would remain stable over time (Weldzius, 2018; Nenbee & Orji, 2021). Overall, these factors could help to create an environment of stability and predictability in international trade, which could be beneficial for all parties involved. Meanwhile, this would likely facilitate the formation of a monetary union that would make the CNY the dominant regional currency. Going by this logic, it is hypothesised that:

H8a: The preferential trade agreement moderates the relationship between the currency strength and the perceived capacity of CNY as the trade pricing currency.

A country's strong economy could facilitate the signing of preferential trade agreements (Lee et al. 2021). For example, trade facilitation commitments in preferential trade agreements can generate larger gains for firms participating in global value chains, as these firms can benefit both from efficiency enhancement at their border (when importing inputs) and at the partner countries' borders (when exporting) (Lee et al. 2021). Additionally, countries with strong economies might be more attractive partners for other countries to sign preferential trade agreements with, as they may offer more potential benefits in terms of market access and trade volume (Yao et al, 2021). As the leading country in the Regional Preferential Agreement (RCEP), China's position in the regional trade of the agreement would be able to dominate the discourse on trade currencies. The domestic currency would be an optimal choice to ensure that the trade risk of domestic enterprises is controlled. Hence, the following hypotheses are put forward:

H8b: The preferential trade agreement moderates the relationship between the economic strength and the perceived capacity of CNY as the trade pricing currency.

CONCEPTUAL FRAMEWORK

This study constructs a conceptual framework between the choice of trade pricing currency intention among RCEP countries and its influencing factors in the context of China's deep participation in Asian value chains. There should also be a diagrammatic representation that allows for the conceptualisation and interpretation of the various hypothesised relationships among the study constructs. The diagrammatic representation of the conceptual framework used in this study is shown in Figure 1 below.

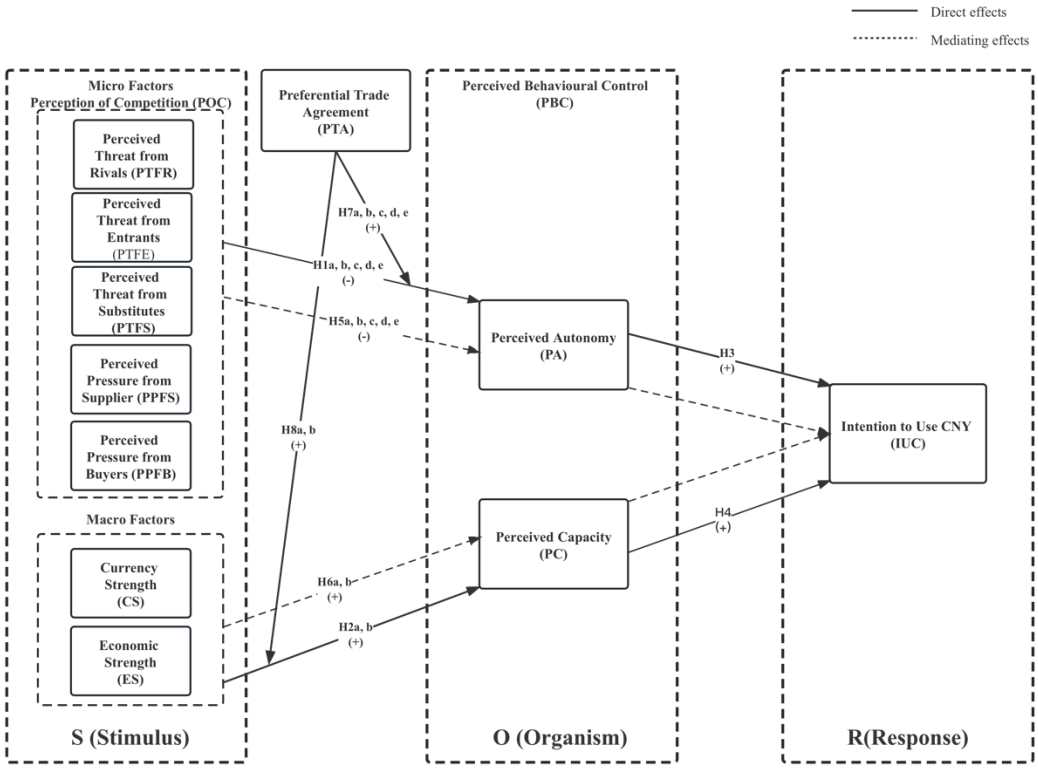

Figure 1. Conceptual Framework

As could be observed from Figure 1, the structural equation model (SEM) was used to explore the relationship among six variables: perception of competition, currency strength, economic strength, perceived behavioural control, preferential trade agreement, and intention to use CNY. Perception of competition, currency strength, and economic strength were used as independent variables (S), perceived behavioural control as intermediate variables (O), intention to use CNY was used as the dependent variable (R), and preferential trade agreement was used as the moderating variable. The model relationship is shown in Figure 11 above. Meanwhile, to determine the relevance of the problem, research hypotheses are tested based on the association between the variables. As discussed in the previous section, the trading economics theory, the currency denomination of international trade theory, the Stimulus-Organism-Response (SOR) model, Porter's five forces model theory, and trade pricing paradigm theory underpin this research framework.

METHODS

In this study, the research philosophy of positivism has been utilised. The reason for this is that this study is consistent with positivism, focusing on the identification of explanatory links or causal relationships through quantitative methods. Positivist philosophy allows for data quantification as well as statistical analysis, as in this study. It also helps with the development of a scientific approach and the application of a structured methodology. Furthermore, The present study adopted a questionnaire survey for the research strategy. This part focused on the international trade enterprises in China. Due to its advantages in location, transportation, international routes, population and labour force, Henan Zhengzhou Airport Economy Zone has been identified by the Chinese government as a key domestic node of international trade (Wei, 2019). To be more specific, the focus is narrowed to Henan Zhengzhou Airport Economy Zone. Thus, the target population are the employees of the international trade enterprises in Henan

Zhengzhou Airport Economy Zone. This population encompass both the traders of the foreign trade and the managers who partake in trading, without bias for the number of years they have been working in the institution. The reason for selecting these categories of employees who have participated in trading as part of their profession is because it makes it suitable for them to respond to the questionnaire survey. This makes them suitable for this study to examine the current state of the use of CNY in international trade.

In addition, the primary data from the field survey in this research would be cross-sectional (a snapshot). In this way, data would be collected for only one time period, providing static information for the research questions (Zikmund, 2003). Therefore, this paper uses the questionnaire data of sample international trading enterprises in Henan Zhengzhou Airport Economic Zone to investigate the influencing factors of the sample enterprises in the region to choose CNY as the trade pricing currency. To try to find out whether the CNY has the potential to become the pricing currency for international trade of Chinese enterprises. Moreover, The current research would utilise an explanatory research design the study to examine the impacts and the interactions of the variables of the independent variables (perception of competition, currency strength, economic strength), mediating variable (perceived behavioural control), moderating variable (preferential trade agreement), and dependent variable (intention to use CNY). For this, a structured questionnaire field survey will be used as the primary data collection method for the quantitative aspects of this study, which is administered directly to international trade enterprises in Henan Zhengzhou Airport Economy Zone. The innovation of this paper is to use structural equation modelling (SEM) to verify the hypothesis and the influence path of variables and analyse the conditional configuration that affects the willingness to use trade pricing currency from the perspective of factor combination in the context of trade preferential agreements (RCEP). A total of 416 respondents were selected as the source of data collection for this study using quantitative methods. The questionnaires were distributed in Henan Zhengzhou Airport Economy Zone using a random probability sampling method.

Operational measurement of variables

Samiee and Anckar (1998) demonstrate through a cross-national evaluation of currency choice in industrial pricing that there is a strong correlation between trade currency choice and the industrial competitiveness and strategy of enterprises. At the same time, strong industrial competitiveness has brought about an increase in the market share of enterprises. According to Fukuda and Ono (2006), market share is an important factor in determining the negotiating power of international trade enterprises. Donnenfeld and Haug (2003) have pointed out that, for exporters, the larger their market share in international trade, the more in international trade in the choice of currency in a favourable position. Meanwhile, the results of Bacchetta and Van Wincoop (2005) also indicate that the less competition a firm faces for market share and product differentiation in foreign markets, the more likely they are to use domestic currency for settlement.

Moreover, many scholars (Porac et al., 1995; Peteraf & Shanley, 1997) have argued that firms have more or less the same perceptions of competition in a given industry. This means that we believe that through various psychological, institutional and social processes, certain stable groups of firms would emerge over time, which would lead to a consistency in the perception of competition (Kemp & Hanemaaijer, 2004). The adoption of this position in this study has the following implication for measuring the perception of competition within a market, which is that perceived competition within a market could be measured by an individual's assessment of the level of competition (Kemp & Hanemaaijer, 2004). Section B in this research questionnaire relates to the independent variables from hypothesis 1a to 1e (H1a, H1b, H1c, H1d, H1e) of this research. In this part, Porter's five forces model theory has been chosen as a suitable tool to measure perceived competitiveness at the market level to reflect the market competitiveness of firms and products. Meanwhile, Porter's five forces model theory, suggests that the nature and extent of

competition could be described in terms of five competitive forces: competitive rivalry, the threat of entrants or substitutes, and the power of suppliers and buyers (Kemp & Hanemaaijer, 2004). Furthermore, Section A in this research questionnaire can be quantified, the measurement is mainly carried out through the structured fill-in-the-blank questions in the questionnaire.

Section C in this research questionnaire relates to the independent variables in hypotheses three and four of this research. Currency strength, the third independent variable, is operationalised by three items centred on the following indicators; "Low historical inflation rates", "highly transparent monetary policies" and "stable exchange rates" (Han & Zhao, 2018). Economic strength, the fourth independent variable, is operationalised by three items centred on the following indicators; "Economic size"; "Market size" and "Financial system" (Rim et al., 2020).

The perceived behavioural control is the mediating variable for this research in section D. People believe they can perform a behaviour when they are confident that they have the resources and opportunities to perform that behaviour, and that they are free to decide how to use those resources and opportunities (Lim & Weissmann, 2023). Consistent with this, perceived behavioural control has been conceptualised as an explicit construct with two aspects: perceived capacity and perceived autonomy (Lim & Weissmann, 2023). Perceived capacity refers to the extent to which an individual believes that he or she can perform a behaviour; whereas perceived autonomy indicates the extent to which an individual believes that he or she is in control of behavioural performance (Lim & Weissmann, 2023).

In section E, the intention to use (IU) reflects the degree to which individuals are inclined to engage in a particular behaviour (Duan & Yuan S. H., 2019). Simultaneously, the intention to use is defined as users' willingness to perform various actions, serving as the most influential factor in predicting usage behaviour (Duan & Yuan S. H., 2019). According to Al-Suqri and Al-Kharusi (2015), the Theory of Reasoned Action (TRA), initially proposed by Fishbein and Ajzen in 1980, delineates that individuals' usage intentions are influenced by their beliefs and attitudes. Ajzen further advanced the theoretical foundation by introducing the Theory of Planned Behavior (TPB), addressing the positive correlation between behavioural intentions and actual behaviour (Al-Suqri & Al-Kharusi, 2015).

RESULT OF THE ANALYSIS

When examining the structural model, the evaluation primarily centres around the overall fit of the model. Subsequently, attention is given to the magnitude, direction, and significance of the proposed parameter estimates, as depicted by the one-headed arrows in the path estimate diagrams (Wang & Rhemtulla, 2021). The final step entails confirming the structural model based on the hypothesized relationships between the identified and assessed variables. The PLS technique, integrated within the SEM framework, was employed, and bootstrapping was conducted with 5000 replications.

The direct effects path analysis of the structural model

As can be obtained from Figure 2, the visual display of the structural model path coefficients with significance value was illustrated in the figure. The coefficient of determination (R^2) values for perceived autonomy (PA), perceived capacity (PC), and intention to use CNY (IUC) were 0.805, 0.890 and 0.853 respectively. These values indicate the following: 85.3% of the variance experienced in IUC can be explained by variations in the predictors i.e., independent variables and mediator (PTFR, PTFE, PTFS, PPFS, PPFB, PA, and PC). In general, the findings reveal that the values for R^2 satisfy the condition for conventional acceptance which is 0.30 as suggested by Patterson (2013).

Figure 2. PLS Direct Effects Path estimates of the Structural Model

As can be obtained from Figure 2, the visual display of the structural model path coefficients with significance value was illustrated in the figure. The coefficient of determination (R^2) values for perceived autonomy (PA), perceived capacity (PC), and intention to use CNY (IUC) were 0.805, 0.890 and 0.853 respectively. These values indicate the following: 85.3% of the variance experienced in IUC can be explained by variations in the predictors i.e., independent variables and mediator (PTFR, PTFE, PTFS, PPFS, PPFB, PA, and PC). In general, the findings reveal that the values for R^2 satisfy the condition for conventional acceptance which is 0.30 as suggested by Patterson (2013).

Table 1. Test of significance for direct relationships

Hypotheses	Relationship	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	F square (F^2)	P values	Decision
H1a	PTFR -> PA	0.247	0.248	0.073	3.399**	0.027	0.001	Supported
H1b	PTFE -> PA	0.209	0.209	0.069	3.025**	0.024	0.002	Supported
H1c	PTFS -> PA	0.136	0.135	0.051	2.644**	0.020	0.008	Supported
H1d	PPFS -> PA	0.195	0.195	0.065	3.008**	0.022	0.003	Supported
H1e	PPFB -> PA	0.149	0.150	0.055	2.685**	0.020	0.007	Supported
H2a	CS -> PC	0.508	0.508	0.037	13.751***	0.569	0.000	Supported
H2b	ES -> PC	0.468	0.467	0.037	12.590***	0.482	0.000	Supported
H3	PA -> IUC	0.250	0.250	0.039	6.374***	0.098	0.000	Supported
H4	PC -> IUC	0.697	0.696	0.038	18.552***	0.764	0.000	Supported

Note: *p<0.05, **p<0.01, ***p<0.001; Small Effect ($f^2 \approx 0.02$), Medium Effect ($f^2 \approx 0.15$), Large Effect ($f^2 \approx 0.35$ or higher); PTFR=Perceived Threat from Rivals, PTFE=Perceived Threat from Entrants, PTFS=Perceived Threat from Substitutes, PPFS=Perceived Pressure from Suppliers, PPFB=Perceived Pressure from Buyers, CS=Currency Strength, ES=Economic Strength, PA=Perceived Autonomy, PC=Perceived Capacity, IUC=Intention to Use CNY.

Furthermore, as can be observed in Table 5, all the path estimates (H1a, H1b, H1c, H1d, H1e, H2a, H2b, H3, and H4) of the direct path analysis were statistically significant judging from their p-values and t-values, which all showed significant values ($p<0.01$) inside the acceptance standard of 0.01. Thus, it can be inferred that all hypotheses H1a, H1b, H1c, H1d, H1e, H2a, H2b, H3, and H4 were supported. Moreover, it can be deduced from the results that the most important determinant of intention to use CNY (IUC) was PC (0.697), followed by PA (0.250); the most important determinant of perceived capacity (PC) was CS (0.508), followed by ES (0.468); the most important determinant of perceived autonomy (PA) was PTFR (0.247), followed by PTFE (0.209), PPFS (0.195), PPFB (0.149) and PTFS (0.136).

The indirect effect (mediation) path analysis of the structural model

As can be observed in Table 6, perceived autonomy (PA) mediates the relationships between the five independent variables, perceived threat from rivals (PTFR), perceived threat from entrants (PTFE), perceived threat from substitutes (PTFS), perceived pressure from suppliers (PPFS), perceived pressure from buyers (PPFB) and the dependent variable, intention to use CNY (IUC). Meanwhile, perceived capacity (PC) mediates the relationships between the two independent variables, currency strength (CS) and economic strength (ES), and the dependent variable, intention to use CNY (IUC). Therefore, the hypotheses H5a, H5b, H5c, H5d, H5e, H6a, and H6b were supported.

Table 2. Test of significance for mediating relationships

Hypotheses	Relationship	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values	Decision
H5a	PTFR -> PA -> IUC	0.062	0.062	0.021	2.921**	0.004	Supported
H5b	PTFE -> PA -> IUC	0.052	0.052	0.018	2.845**	0.004	Supported
H5c	PTFS -> PA -> IUC	0.034	0.034	0.014	2.411*	0.016	Supported
H5d	PPFS -> PA -> IUC	0.049	0.049	0.019	2.594*	0.010	Supported
H5e	PPFB -> PA -> IUC	0.037	0.037	0.015	2.456*	0.014	Supported
H6a	CS -> PC -> IUC	0.354	0.354	0.034	10.280***	0.000	Supported
H6b	ES -> PC -> IUC	0.326	0.325	0.029	11.141***	0.000	Supported

Note: *p<0.05, **p<0.01, ***p<0.001; PTFR=Perceived Threat from Rivals, PTFE=Perceived Threat from Entrants, PTFS=Perceived Threat from Substitutes, PPFS=Perceived Pressure from Suppliers, PPFB=Perceived Pressure from Buyers, CS=Currency Strength, ES=Economic Strength, PA=Perceived Autonomy, PC=Perceived Capacity, IUC=Intention to Use CNY.

The indirect effect (moderation) path analysis of the structural model

The moderator variable can be seen as a third variable that changes the relationship between the independent and dependent variables. In this study, we have chosen preferential trade agreement (PTA) as the moderator variable. According to the research settings and objectives, the Two-stage approach was chosen in this study due to the moderator (preferential trade agreement) is formatively measured. After running the bootstrapping and the PLS algorithm, table 7 shows that the standard deviation of this model is from 0.072 to 0.148. This has qualified results relative to the standard requirement of -1 to 1. This section aims to conduct a moderation analysis to ascertain the presence and extent of moderating effects. Consequently, this section assessed seven hypotheses (H7a, H7b, H7c, H7d, H7e, H8a, and H8b). The results of these hypothesis tests are presented in Table 7, which includes path coefficients for various paths.

Table 3. Bootstrapping results for moderating relationships

Hypotheses	Relationship	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values	Decision
H7a	PTA x PTFR -> PA	0.195	0.191	0.148	1.321	0.187	Not Supported
H7b	PTA x PTFE -> PA	0.066	0.065	0.140	0.469	0.639	Not Supported
H7c	PTA x PTFS -> PA	0.017	0.018	0.100	0.168	0.867	Not Supported
H7d	PTA x PPFS -> PA	-0.090	-0.088	0.132	0.680	0.497	Not Supported
H7e	PTA x PPFB -> PA	-0.233	-0.232	0.115	2.022*	0.043	Supported
H8a	PTA x CS -> PC	0.121	0.118	0.072	1.670	0.095	Not Supported
H8b	PTA x ES -> PC	-0.126	-0.125	0.072	1.757	0.079	Not Supported

Note: *p<0.05, **p<0.01; PTA=Preferential Trade Agreement, PTFR=Perceived Threat from Rivals, PTFE=Perceived Threat from Entrants, PTFS=Perceived Threat from Substitutes, PPFS=Perceived Pressure from Suppliers, PPFB=Perceived Pressure from Buyers, CS=Currency Strength, ES=Economic Strength, PA=Perceived Autonomy, PC=Perceived Capacity.

CONCLUSION

This study aims to empirically demonstrate the 23 hypotheses proposed in this article, specifically examining the factors influencing Chinese enterprises' choice of the CNY as the currency for trade pricing. The research findings indicate that the primary influencing factors for selecting the CNY as the trade pricing currency can be categorised into macro and micro aspects. On the macro level, key factors include the issuing country's currency strength and economic strength. Innovatively, the micro-level focus of this study centres on firms' perceptions of industry competition. A weaker perception of industry competition among firms implies a stronger perception of their competitiveness. Additionally, in this study, the mediating role of perceived behavioural control in the relationship between intention to choose the CNY and its influencing factors has been validated. However, the moderating effect of preferential trade agreements was not confirmed in this research. Among the results of the moderating variable validation, preferential trade agreements only exhibit a certain moderating effect on the relationship between perceived pressure from buyers and perceived autonomy. This suggests that when engaging in export trade with countries related to preferential trade agreements, firms are more confident in using the CNY as the trade pricing currency. This may indicate a preference for the use of the CNY, particularly within regions such as the Regional Comprehensive Economic Partnership (RCEP). The study's outcomes provide a novel research direction for the development of CNY internationalisation. Numerous studies have indicated slow progress in CNY internationalisation despite years of promotion by the Chinese government, with a focus on enhancing CNY settlement functions to drive global adoption (Wong, 2020; McCauley & Shu, 2019). In contrast, this study demonstrates that signing preferential trade agreements, such as the Regional Comprehensive Economic Partnership (RCEP), could serve as a viable foundation for advancing the pricing functions of CNY, offering a feasible approach for the development of CNY internationalisation.

REFERENCES

Al-Suqri, M. N., & Al-Kharusi, R. M. (2015). Ajzen and Fishbein's theory of reasoned action (TRA) (1980). In *Information seeking behavior and technology adoption: Theories and trends* (pp. 188-204). IGI Global.

Almajali, D. A., Masa'Deh, R. E., & Dahalin, Z. M. (2022). Factors influencing the adoption of Cryptocurrency in Jordan: An application of the extended TRA model. *Cogent Social Sciences, 8*(1), 2103901.

Aga, M. K., & Singh, A. (2022). The Role of Entrepreneurship Education on Student Entrepreneurial Intentions: Mediating Effect of Attitude, Subjective Norms, and Perceived Behavioral Control. *Journal of Business & Management, 28*(1).

Bacchetta, P., & Van Wincoop, E. (2005). A theory of the currency denomination of international trade. *Journal of International Economics, 67*(2), 295-319.

Baier, S. L., Bergstrand, J. H., & Mariutto, R. (2014). Economic determinants of free trade agreements revisited: Distinguishing sources of interdependence. *Review of International Economics, 22*(1), 31-58.

Bergstrand, J. H., Egger, P., & Larch, M. (2015). Economic determinants of the timing of preferential trade agreement formations and enlargements. *Economic Inquiry, 54*(1), 315-341.

Cross, C., & Carbery, R. (2022). *Organisational Behaviour.* Bloomsbury Publishing.

Chow, K., & Law, D. (2019). Offshore Renminbi Dim Sum Bonds. *THE FUTURE OF CHINA'S BOND MARKET,* International Monetary Fund, 333-356.

Donnenfeld, S., & Haug, A. (2003). Currency invoicing in international trade: An empirical investigation. *Review of International Economics, 11*(2), 332-345.

Duan S. X., & Yuan S. H. (2019). An empirical analysis of influencing factors of consumers' willingness to use wechat payment based on UTAUT and SEM Theory. *Enterprise economics, 36*(06), 29-36.

Devereux, M. B., Shi, K., & Xu, J. (2010). Oil currency and the dollar standard: a simple analytical model of an international trade currency. *Journal of Money, Credit and Banking, 42*(4), 521-550.

El Fakir, A., Fairchild, R., Tkiouat, M., & Taamouti, A. (2023). A bargaining model for PLS entrepreneurial financing: A game theoretic model using agent-based simulation. *International Journal of Finance & Economics, 28*(2), 1228-1241.

Fukuda, S. I., & Ono, M. (2006). The choice of invoice currency under exchange rate uncertainty: theory and evidence from Korea. *Korea and the World Economy, 6*(2), 161-19.

Fukuda, S. I., & Ono, M. (2006). On the determinants of exporters' currency pricing: History vs. expectations. *Journal of the Japanese and International Economies, 20*(4), 548-568.

Frankel, J. A., & Wei, S. J. (1994). Yen bloc or dollar bloc? Exchange rate policies of the East Asian economies. *In Macroeconomic linkage: Savings, exchange rates, and capital flows* (pp. 295-333). University of Chicago Press.

Giri, G., Nivedhitha, K. S., & Manohar, H. L. (2023). Can blockchain enabled green bond issuance lead to intent to invest? A moderated mediation model. *Applied Economics*, 1-18.

Goldberg, L. S., & Tille, C. (2016). Micro, macro, and strategic forces in international trade invoicing: Synthesis and novel patterns. *Journal of International Economics, 2016*(102), 173-187.

Gopinath, G., Boz, E., Casas, C., Díez, F. J., Gourinchas, P. O., & Plagborg-Møller, M. (2020). Dominant currency paradigm. American Economic Review, 110(3), 677-719.

Han, J. Y. & Zhao, R. (2018). An Empirical study on the determinants of currency selection in international trade. *Modern Economic Information, 2018*(34), 150-171.

Huong, N. T. L., Oanh, N. T. L., & Linh, H. N. N. (2021). Testing impact of personal innovativeness on intention to invest in cryptocurrency products of Vietnamese people: an extension of theory of planned behavior (TPB). In *International Conference on Emerging Challenges: Business Transformation and Circular Economy, November* (pp. 147-157).

Kajornjitlertsakul, N. (2020). *Research on the Influencing Factors of Choosing Renminbi in Thai Enterprises-Based on survey data of 182 import and export companies in Thailand.* [Unpublished master's thesis]. South China University of Technology.

Kim, S., & 손삼호 (2013). A Study on the Financial Service Negotiations in the Korean-Chinese Free-Trade Agreement (FTA) with Respect to RMB Internationalization. *Journal of Distribution Science, 2013*(11), 81-88.

Kemp, R., & Hanemaaijer, J. (2004). *Perception of competition: A measurement of competition from the perspective of the firm* (No. H200406). EIM Business and Policy Research.

Luo, Z. Z. (2012). Theory of currency choice in cross-border trade: A literature review. *International Economic and Trade Exploration, 28*(6), 13.

Luo, Z. Z., & Xu, S. T. (2012). Domestic currency appreciation, export competitiveness and currency selection in cross-border trade. *World Economic Studies, 6*(1), 27-32.

Liu Y. (2014). Empirical research on the determinants of producer currency valuation. *Journal of Shenyang University of Technology (Social Science Edition), 7*(03), 228-236.

Lee, W., Rocha Gaffurri, N. P., & Ruta, M. (2021). *Trade Facilitation Provisions in Preferential Trade Agreements: Impact on Peru's Exporters* (No. 9674). The World Bank.

Lim, W. M., & Weissmann, M. A. (2023). Toward a theory of behavioral control. *Journal of Strategic Marketing, 31*(1), 185-211.

McCauley, R. N., & Shu, C. (2019). Recent renminbi policy and currency co-movements. Journal of International Money and Finance, 95, 444-456.

Nenbee, S. G., & Orji, J. O. (2021). Naira-Yuan Diplomacy: A Pathway for Unlocking Nigeria's Manufacturing Sub-Sector Potentials. *Mediterranean Journal of Social Sciences, 12*(1), 79.

Ong, A. K., Prasetyo, Y. T., Pinugu, J. N., Chuenyindee, T., Chin, J., & Nadlifatin, R. (2022). Determining factors influencing students' future intentions to enroll in chemistry-related courses: integrating self-determination theory and theory of planned behavior. *International Journal of Science Education, 44*, 556 - 578.

Porac, J. F., Thomas, H., Wilson, F., Paton, D., & Kanfer, A. (1995). Rivalry and the industry model of Scottish knitwear producers. *Administrative science quarterly, 40*(2), 203-227.

Peteraf, M., & Shanley, M. (1997). Getting to know you: A theory of strategic group identity. *Strategic Management Journal*, *18*(S1), 165-186.

Page, S. A. B. (2020). The Choice of Invoicing Currency in Merchandise Trade. *National Institute Economic Review, 98*(1), 60-72. https://doi.org/10.1177/002795018109800105

Rim, G. N., Jang, S. N., An, C. J., Hwang, S. H., & Ri, S. H. (2020). State economic strength and some methodological issues on its assessment. *Social Indicators Research, 152*(2020), 607-636.

Radic, A., Quan, W., Koo, B., Chua, B. L., Kim, J. J., & Han, H. (2022). Central bank digital currency as a payment method for tourists: application of the theory of planned behavior to digital Yuan/Won/Dollar choice. *Journal of Travel & Tourism Marketing, 39*(2), 152-172.

Shen, J. (2021). The Problems RCEP Execution May Face With and Ways of Risk Prevention. *Regional Economic Review*, *2021*(1), 122-129.

Srinivas, P. S., & Cheng, R. (2021). *Renminbi Internationalisation (I): A Historical Review and China's Policy Measures.* East Asian Institute, National University of Singapore.

Samiee, S., & Anckar, P. (1998). Currency choice in industrial pricing: A cross-national evaluation. *Journal of Marketing, 62*(3), 112-127.

Smith, N. R., Martinez-Flores, J. L., & Cardenas-Barron, L. E. (2008). Analysis of the benefits of joint price and order quantity optimisation using a deterministic profit maximisation model. *Production Planning & Control, 18*(4), 310-318.

Takagi, S. (2011). Internationalizing the yen, 1984–2003: unfinished agenda or mission impossible? In Y. W. Cheung & G. Ma (Eds.), *Asia and China in the Global Economy* (pp. 219-244). Word Scientific. https://doi.org/10.1142/9789814335270_0008

Tobin, D. (2022). Offshoring the uncovered liability problem: Currency hierarchies, state-owned settlement banks and the offshore market for renminbi. New Political Economy, 27(1), 81-98. https://doi.org/10.1080/13563467.2021.1926953

Wang, Y. A., & Rhemtulla, M. (2021). Power analysis for parameter estimation in structural equation modelling: A discussion and tutorial. *Advances in Methods and Practices in Psychological Science, 4*(1), https://doi.org/10.1177/2515245920918253

Wong, W. (2020). Monetary Overextension: Why the Chinese Yuan will not become the next Global Currency. Flux: International Relations Review, 10(2020), 72-77.

Weldzius, R. M. (2018). *The Chains That Bind: Global Value Chain Integration and Currency Conflict* (Doctoral dissertation, UCLA).

Wang, S., Li, Z., & Zhan, B. (2022). Exploring Factors Affecting Choice of Currency for Pricing and Settlement in International Trade. *Proceedings of the 6th International Conference on E-Commerce, E-Business and E-Government* (pp. 229-236).

Yzer, M. (2012). Perceived behavioral control in reasoned action theory: A dual-aspect interpretation. *The annals of the American academy of political and social science, 640*(1), 101-117.

Yao X, Zhang Y, Yasmeen R, Cai Z. (2021). The impact of preferential trade agreements on bilateral trade: A structural gravity model analysis. *PLoS One. 16*(3):e0249118. doi: 10.1371/journal.pone.0249118. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8009400/