

UNIVERSITA' DEGLI STUDI DI MILANO – BICOCCA

ISTEI – Sezione di Economia e Gestione delle Imprese

DiSEA – Dipartimento di Scienze Economico-Aziendali

Dottorato di Ricerca in Marketing e Gestione delle Imprese

CICLO XXIV



*BORN GLOBAL COMPANIES AS MARKET DRIVEN
ORGANISATIONS.
AN EMPIRICAL ANALYSIS*

Tutor : Chiar.mo Prof. Silvio M. BRONDONI

Co-Tutor: Chiar.ma Prof.ssa Antonella ZUCHELLA

Tesi di Dottorato di:

Serena MASCHERPA

Matricola: 724887

Anno Accademico 2010 – 2011

Abstract

In today's highly competitive global markets, companies compete in conditions of extreme economic, technological and socio-political instability. In many countries, because of the globalisation of markets, advances in transportation and communications technologies and the convergence of technologies of digital communication, more and more small and medium sized companies are pursuing opportunities in global markets. Globalisation has increased the level of competition, weakening barriers to entry in several markets; technology has accelerated the speed of structural changes in demand, reducing product and sector life cycles. These radical changes can neither be ignored nor avoided. In addition, they confirm that nowadays a global growth is necessary for every company. Especially in rapid changing and unpredictable global environments, where small and medium companies often operate, organisational capabilities contribute most to the expansion and performance in markets.

Drawing on the Resource Based View and dynamic capability view, this PhD thesis explores the expansion into global markets of a sample of Italian manufacturing small and medium sized companies. In particular, given the growing importance of intangible assets as sources of competitive advantage, this work examines how some organisational capabilities affect the probability of a company being classified as a *born global* (that is, a company that has experienced early and rapid expansion into global markets) or as a *traditional exporter* (that is, a company that has experienced a more slow and gradual expansion into global markets). The logistic regression analysis confirms that entrepreneurial orientation and networking capability are significant determinants of born global. Furthermore, linear regressions analyses confirm firstly that born globals perform much better than their counterparts do and secondly that entrepreneurial orientation affects their performance on global markets.

Finally, as an "*emerging issue*", based on Market Driven Management Theory, this PhD thesis suggests that born global companies are similar to Market Driven Organisations because of their outside-in perspective, outward orientation towards opportunities, global proactive attitude and networking capability, which permit them to expand and outperform in global markets *faster and better than competitors*.

Declaration of originality

The work referred to in the thesis has not been submitted in support of an application for another degree or qualification of this or any other University or other institute of learning.

I declare that this thesis embodies the results of my own work. Following normal academic conventions, I have made due acknowledgement of the work of others.

Copyright statement

Copyright in the text of this thesis rests with the author. Copies (by any process) either in full, or of extracts, may be made only in accordance with instructions given by the author.

Acknowledgments

The writing of a dissertation can be a lonely and isolating experience, yet it is obviously not possible without the personal and practical support of numerous people. I am surprised and at the same time very grateful for all I have received throughout these years. It has certainly shaped me as a person and has led me to where I am now. All these years of PhD studies are full of such gifts.

I want first to thank my family. Thanks to “mamma Wanda” and “potto Nando” for their life-long lesson in the benefits of learning and for their ever-present support. Many thanks to my “wee sister” Marta for her unconditional patience: she encouraged me every day. “It does not matter where you are, but where you want to go”, she has repeated every day to me!

Last but not least, thanks to Daniele, for his love and encouragement. He helped me to always see the positive side of this “academic adventure”. Especially, he shared with me the joys and the difficulties of these my first academic steps.

In writing my PhD dissertation, I am particularly grateful to Professor Antonella Zucchella: since 2007, she has guided me through this intellectual journey, providing guidance, contributions, practical and personal advice and, above all, patience. In addition, she made a terrific effort in helping me to feel part of the academic community at University of Pavia. I am very grateful to her.

Thanks to the PhD Marketing Management School of Bicocca University of Milan, particularly to Professor Silvio Brondoni and Professor Margherita Corniani.

I also want to express my gratitude to Professor Antonio Majocchi and Professor Roger Strange for their “statistical” learning and encouragement. Thanks to Professor Marian Jones: she gave me the opportunity to spend six fantastic months at University of Glasgow, where I wrote the majority of this PhD dissertation.

I also wish to thank Birgit (or better, the “Professor Hagen”) and Elena (the most patient and nicest woman that I have ever met) for their enjoyable “coffee breaks” and mainly for their positive attitude. It was a pleasure to share an office with them!

Thanks to IReR, particularly Federica Ancona and Antonio Dal Bianco, who gave me the opportunity to work at their Institute. It was a pleasure to collaborate with them. Thanks to Federica Zampese, the “best reference librarian” I have ever met. She helped me to find many bibliographical sources.

I have been fortunate to come across many funny and good friends, without whom life would be bleak.

Thanks to Vinc and Robi, my “best colleagues” and thanks to Katy, my “super colleague”.

Thanks to Ezia, who gave me a warm welcome in Glasgow. She opened her house and her heart to me during my visiting period in Scotland. I would like also to say thanks to her for their precious “Zumba lessons”.

Thanks to Elena and Massimo, my lonely PhD colleagues: it was a pleasure to share doctoral studies with two wonderful people like them, who now are close friends.

Thanks to Colm, for his great contribution and his language suggestions.

Above all, many thanks to Luigi: he helped me in an unconditional way and taught me most of the statistical knowledge that I now have and that made this thesis realizable.

In sum, many thanks to all these people: they bore me, raised me, supported me, taught me, loved me, but above all, believed in me. To them I dedicate this thesis.

*“There are no ideal conditions in which to write, study, work or think;
rather, it is only will, passion and stubbornness that push a man to pursue
his own project”.*

Konrad Lorenz (1903-1989), Austrian scientist

Table of Contents

Abstract	1
Declaration of originality and Copyright Statements	2
Acknowledgements	3
Table of Contents	6
List of Tables	9
List of Figures	10
Acronyms and abbreviations	11
CHAPTER 1 - INTRODUCTION	
1.1. Research problems and research contributions to the knowledge	12
1.2. Background of the PhD dissertation	17
1.2.1. Traditional models explaining internationalisation: a synopsis	17
1.2.2. Resources Based View and Dynamic capability View	24
1.2.3. Markert Driven Management Theory	29
1.3. Research methodology	31
1.3.1. Research context	31
1.3.2. Research method	32
1.4. Structure of the dissertation	34
CHAPTER 2 - INTERNATIONAL ENTREPRENEURSHIP: A NEW FIELD	
Introduction	35
2.1. International Entrepreneurship: domain and definitions	35
2.2. Alternative frameworks of International Entrepreneurship	45
2.3. International Entrepreneurship literature reviews: a first comparison	47
2.4. International Entrepreneurial Organisations	53
2.4.1. International Entrepreneurial Organisations' classification	55
2.4.2. International Entrepreneurial Organisations: towards an archetype map	73
2.4.3. International Entrepreneurial Organisations: mapping their global expansion	75
Synthesis and conclusion	76

CHAPTER 3 - BORN GLOBAL LITERATURE REVIEW

Introduction	79
3.1. Born global company: a new global enterprise	79
3.2. Literature review methodology	81
3.3. Analysis and discussion of the review results	84
3.3.1. The born global construct	84
3.3.2. Theoretical perspectives	87
3.3.3. Empirical methods	89
3.3.4. Factors influencing born globals' internationalisation dimensions	91
3.4. Linking drivers to born globals' internationalisation dimensions	98
Synthesis and conclusion	103

CHAPTER 4- LINKING LITERATURE TO RESEARCH QUESTIONS AND HYPOTHESES

Introduction	104
4.1. The Research Questions	104
4.2. Internal organisational capabilities and their relationships to internationalisation	110
4.3. Internal organisational capabilities and their relationships with international performance	114
Synthesis and conclusions	116

CHAPTER 5 - RESEARCH METHODOLOGY

Introduction	118
5.1. Research objectives and research process	118
5.2. Philosophical stance and research methods	120
5.2.1. Philosophical paradigm: Positivism	121
5.2.2. Type of research methods	123
5.3. Quantitative phase	125
5.3.1. Research process and data collection	125
5.3.2. Operationalisation of variables	127
5.3.3. Evaluation of construct measures	128
Synthesis and conclusion	136

CHAPTER 6 -DATA ANALYSIS

Introduction	138
6.1. Descriptive statistics: general information about the total sample	138
6.2. Descriptive statistics: internationalisation patterns	140
6.3. Descriptive statistics: correlation analysis	157
Synthesis and conclusion	160

CHAPTER 7 – EMPIRICAL FINDINGS

Introduction	161
7.1. Linking research questions and research hypotheses to regression analysis	162
7.2. Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?	163
7.3. Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?	169
7.4. Discussion of the results	176

8. CONCLUSIONS

Introduction	182
8.1. Contribution of the PdH thesis to the literature	182
8.2. Synopsis of research questions and research hypotheses	184
8.3. Limitations, managerial implications and future directions	188
8.3.1. PhD limitations	188
8.3.2. Managerial and policy implications	191
8.3.3. Born global companies as MDOs: is it an “emerging issue” in management?	
References	200

APPENDIX

Appendix to Chapter 2	240
Appendix to Chapter 3	247

List of Tables

Table 2.1	Some IE definitions and perspectives
Table 2.2	International Entrepreneurial organisations and Global Entrepreneurial Organisations: a synopsis of their main features
Table 2.3	International Entrepreneurship literature reviews comparison: focus on the general status of the field
Table 2.4	International Entrepreneurship literature reviews comparison: focus on accelerated internationalisation and born global companies
Table 3.1	Frequency analysis of the articles by Journal source and year
Table 3.2	Empirical methods and internationalisation dimensions
Table 3.3	Facilitating factors favouring a born-global internationalisation path and performance
Table 3.4	Environmental/industry-specific variables favouring a born-global internationalisation path and performance
Table 3.5	Entrepreneurial-specific factors favouring a born-global internationalisation path and performance
Table 3.6	Firm-specific factors favouring a born-global internationalisation path and performance
Table 3.7	Network-specific factors favouring a born-global internationalisation path and performance
Table 3.8	Drivers and internationalisation dimensions
Table 5.1	The basic assumptions of the positivist philosophical stance as opposed to constructivism
Table 5.2	Quantitative, mixed and qualitative research methods
Table 5.3	Descriptive information and reliabilities of the applied measures
Table 5.4	KMO measure and Bartlett's test
Table 5.5	Factor structure of the international entrepreneurial orientation
Table 5.6	Factor structure of the international market learning capability
Table 5.7	Factor structure of the international marketing capability
Table 5.8	Factor structure of the networking capability
Table 5.9	Correlations analysis: international entrepreneurial orientation's items
Table 5.10	Correlations analysis: international market learning capability's items
Table 5.11	Correlations analysis: international marketing capability's items
Table 5.12	Correlations analysis: international networking capability's items
Table 6.1	General information of the total sample (214 observations)
Table 6.2	Descriptive information of the respondent firms: comparison among born globals and traditional exporters
Table 6.3	Correlation output
Table 6.4	VIF values
Table 7.1	Logistic regression results
Table 7.2	Linear regression results
Table 7.3	Linear regression results
Table 8.1	Summary of hypotheses and empirical results

List of Figures

Figure 2.1	Different perspectives but common findings among the previous IE literature review
Figure 2.2	IE dimensions in born globals
Figure 2.3	IE dimensions in born-again globals
Figure 2.4	IE dimensions in mMNEs
Figure 2.5	IE dimensions in globalising international
Figure 2.6	IE dimensions in global entrepreneurial SMEs
Figure 2.7	IE dimensions in EMMNEs
Figure 2.8	IE dimensions in MDOs
Figure 2.9	Map of the identified IEOs
Figure 2.10	Map of the global expansion of the different typologies of IEOs
Figure 4.1	Linking literature gaps to research questions
Figure 4.2	Research questions and the respective research hypothesis
Figure 4.3	The research model
Figure 5.1	The research process “onion”
Figure 5.2	The research process of this study
Figure 6.1	Size structure of sampled companies
Figure 6.2	Age structure of sampled companies (10-years classes)
Figure 6.3	Industry distribution across the sample
Figure 6.4	Geographic scope: “first” export markets
Figure 6.5	Geographic scope: most important countries
Figure 6.6	The most complex markets
Figure 6.7	Size structure of sample companies (born globals vs traditional exporters)
Figure 6.8	Age structure of sampled companies (10-years classes) (born globals vs traditional exporters)
Figure 6.9	Industry sector distribution across the sample (born globals vs traditional exporters)
Figure 6.10	Geographic scope: “first” export markets (born globals vs traditional exporters)
Figure 6.11	Geographic scope: the most important countries (born globals vs traditional exporters)
Figure 6.12	Geographic scope: the most complex markets (born globals vs traditional exporters)
Figure 7.1	Linking research questions and research hypotheses to statistical methods

Acronyms and Abbreviations

<i>bg</i>	born global status
CFA	Confirmatory Factor Analysis
EFA	Exploratory Factor Analysis
EMMNEs	Emerging Market Multinationals
FMO	First Mover Orientation
GOSMEs	Globally Oriented SMEs
H1, H2...	Hypothesis 1, Hypothesis 2...
IB	International Business
ICT	Information and Communication Technologies
IE	International Entrepreneurship
<i>ieo</i>	International entrepreneurial orientation construct
IEOs	International Entrepreneurial Organisations
IGO	International Growth Orientation
<i>intmktg</i>	International marketing capability construct
<i>intmktkno</i>	International market knowledge capability construct
<i>intnetw</i>	International networking capability construct
INV	International New Venture
KMO	Kaiser-Meyer-Olkin measure of sampling adequacy
MDM	Market-Driven Management theory
MDOs	Market-Driven Organisations
mMDOs	Micro-Market-Driven Organisations
mMNEs	Micromultinationals
MNEs	Multinational Enterprises
PCA	Principal Components Analysis
RBV	Resource Based View
RQ	Research Question
SMEs	Small and Medium sized enterprises
U-Model	Uppsala Internationalisation Process Model
VIF	Variance Inflation Factor

CHAPTER 1 - INTRODUCTION

"Discovery consists of seeing what everybody else has seen and thinking what nobody else has thought".

(Szent-Gyorgyi, 1893-1986)

1.1. Research problems and research contributions to the knowledge

In the new global business environment, internationalisation has become a primary driving force for competition (Hitt et al. 2001). Traditionally the competitive landscape in international markets was the realm of large companies (McDougall and Oviatt 2000). At that time, there were bigger barriers to entering foreign markets and internationalisation was the luxury of the largest and strongest companies (Saarenketo et al. 2004). Hence, most of the early studies related to internationalisation have dealt with the large manufacturing firms. Since the last two decades, many studies have witnessed not only an increasing presence of small and medium size enterprises (SMEs hereafter) on the global scene, but also an emergence of broader and more differentiated global business strategies among SMEs (European Commission 2003; 2010).

Internationalisation is one of the most complex strategies that any firm can undertake. Indeed, internationalisation represents an important avenue leading to firm growth. Nowadays it is widely recognised that a global growth is necessary for every company. The conventional interpretation states that internationalisation is one of the possible growth paths available to a firm and that it occurs when the firm is more consolidated in the domestic market (Johanson and Vahlne 1977; 1990). However, recent empirical evidence shows that the phenomenon of internationalisation in different countries, including Italy, has become more pervasive and takes place earlier and faster in the life of the firm (Zanni and Zucchella 2009; Hagen et al. 2011). In other words, while many SMEs still appear to follow such a slow, gradual and evolutionary path of development abroad, some newly established and highly entrepreneurial ventures are becoming international almost upon their foundation. These companies have been named, among others, "born globals" (Rennie

1993; Knight and Cavusgil 1996), “high-technology start-up” (Jolly et al. 1992) and “International New Ventures” (Oviatt and McDougall. 1994).

It has been argued that their emergence has dominated the early development of the International Entrepreneurship field (Jones and Coviello 2005; Zahra 2005; Keupp and Gassman 2009; Jones et al. 2011). Almost twenty years have passed since Morrow (1988) introduced the term “International Entrepreneurship” (IE hereafter) when describing the evolving technological international environment that was opening previously untapped foreign markets to new ventures. Throughout the last two decades, empirical observations and conceptual contributions have developed significantly, making IE one of the most lively and debated fields of research both in International Business (IB hereafter) and in Entrepreneurship.

The definition of the boundaries of IE has been discussed by many researchers. In 2000, McDougall and Oviatt defined IE as “a combination of innovative, proactive and risk-seeking behaviour that crosses or is compared across national borders and is intended to create value in business organisations” (McDougall and Oviatt 2000, p. 903). Some years later, Oviatt and McDougall (2005a, p. 540) added a new definition of the field and considered that IE is the discovery, enactment, evaluation and exploitation of opportunities, across national borders, to create future goods and services. According to Keupp and Gassman (2009), Coombs et al. (2009) and Zucchella and Scabini (2007), the IE field is relatively young and still lacking consolidated frameworks and conceptualisations. However, as very recently Jones et al. (2011) have argued, IE has several coherent thematic areas and is rich in potential for future research and theory development.

Different streams have already emerged in IE literature (Oviatt and McDougall 2000). One stream focuses on International New Ventures (INVs hereafter) and/or born global companies. Another stream looks at the processes of fast internationalisation of established firms. A third one is represented by the study of multinational subsidiaries as possible cases of IE (Zucchella and Scabini 2007). Another one could include companies that show a “market-driven orientation”, that is, organisations that “reveal a superior ability to understand, attract and maintain customers with a high economic profile” (Day 2001, p. 2) and are characterised by a strong global entrepreneurial orientation and success on global markets (Day 1999; Brondoni 2007; Lambin and Brondoni 2001). Among these different categories of International

Entrepreneurial Organisations (IEOs hereafter) identified within the IE field (Zucchella and Scabini 2007), this PhD dissertation focuses on the former one. According to Oviatt and McDougall (1994, p. 49), born global companies are “business organisations that from inception, seek to derive significant competitive advantages from the use of resources and the sale of outputs in multiple countries”. In addition, Knight and Cavusgil (2004, p. 124) defined born global as “a business organisation that, from or near their founding, seek superior international business performance from the application of knowledge-based resources to the sale of output in multiple countries”. There are some reasons that justify the research focus of this PhD dissertation. Firstly, the strong interest of the author of this thesis in this topic and secondly the fact that today the contribution of SMEs to global economic growth and development has been widely recognised by European Statistical Research Institutes (e.g. Eurostat and Istat), the OECD (Organisation for Economic Cooperation and Development; 2002, 2005), European Commission (2003; 2010) and also by numerous researchers from different countries (Knight 2000; Evers 2011b). Finally, as an “emerging issue in management”, this PhD thesis calls for studying born globals as a special case of Market Driven Organisations (MDOs hereafter), which nowadays are the most exemplary of successful organisations on global markets because of their ability to penetrate global markets “faster and better than competitors” (Brondoni 2008, p. 7).

It is clear that operating on highly competitive global markets -characterised by globalisation, deregulation, organisational reengineering, convergence of technologies of digital communication (Brondoni 2008; Lambin 2008b)- demands specialised resources, skills and capabilities. Especially in dynamic, changing and unpredictable environments, the knowledge-based resources are seen to contribute most to the global expansion and performance of companies (Autio et al. 2000; Fernhaber and McDougall-Covin 2009; Filatotchev et al. 2009). Following this lead, this research explores the internationalisation process of a sample of Italian manufacturing SMEs from the widely interpreted Resource Based and dynamic capability perspectives.

Drawing on these research perspectives, the main goal of this PhD thesis is to study the effects of some internal organisational capabilities on the probability that a

company is classified as born global (that is, a company that expands its activities in global markets with a precocious and rapid pace) or a traditional exporter (that is, a company that expands on the global market with a slow and late pace, as described by the Uppsala Model). Additionally, this work aims at empirically demonstrating that born globals outperform their counterparts on global markets and that they are able to experience global markets “faster and better than their competitors” (Brondoni 2008, p. 7) because of their their global posture. Finally, it empirically tests the impact of the afore-mentioned organisational capabilities on the performance of born global companies.

On the basis of these theoretical perspectives, two wider research questions drive this PhD dissertation:

- ☞ Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?
 - ☞ Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?

These broad research questions are divided into six sub-hypotheses. Accordingly, the research hypotheses of this PhD thesis are the following:

- ☞ Hypothesis 1- The higher the international entrepreneurial orientation of the management, the higher the likelihood of a firm to be classified as born global.
- ☞ Hypothesis 2- The higher the international market knowledge capability, the higher the likelihood of a firm to be classified as born global.
- ☞ Hypothesis 3- The higher the international marketing capability, the higher the likelihood of a firm to be classified as born global.
- ☞ Hypothesis 4- The higher the international networking capability, the higher the likelihood of a firm to be classified as born global.
- ☞ Hypothesis 5- Born global companies perform better than traditional exporters.
- ☞ Hypothesis 6- Organisational capabilities are associated with born globals' international performance.

This thesis aims to contribute to the existing knowledge in several ways. Firstly, it introduces the concept of *organisational capabilities* into the born global domain. More specifically, it investigates the relationship between international entrepreneurial orientation, international market knowledge capability, international marketing capability and international networking capability and a firm's international pace and performance. In fact, some researchers have examined these relations in the context of born globals internationalisation, but they remain exceptions of the rule (Knight 2001; Kuivalainen et al. 2010; Weerawardena et al. 2007). Indeed, these associations are mainly mediated by other resources (Zhang et al. 2009) or other specific capabilities and/or strategic orientations (Knight and Cavusgil 2004; Kocak and Abimbola 2009). Secondly, only a few researchers have concentrated their attention on SMEs that operate in high-tech industries and/or analysed the influence of several resources and capabilities only on internationalisation precocity (that is, the number of years from firm inception to the beginning of its international sales). In contrast, this PhD thesis analyses how organisational capabilities affect both international precocity and speed (that is, the percentage of revenue earned from abroad in a certain time period). Thirdly, a very limited number of scholars have empirically compared born globals with other examples of internationalising companies (Tuppura et al. 2008, Zhang et al. 2009; Dib et al. 2010), mainly with specific reference to internationalisation performance (Jantunen et al. 2008; Hagen et al. 2011). According to Cavusgil and Knight (2009), comparing born globals and traditional exporter SMEs provides a basis for studying and better understanding born global companies. Similarly, with its research design, this thesis responds to the criticism raised by Knight and Cavusgil (2004). In this regard, the Authors discussed that, partly due to its infancy, the born global stream is dominated by largely exploratory, descriptive research and that the empirical work is still lacking.

Summarising, there are many research gaps and contrasting areas regarding the relation between organisational capabilities and internationalisation process and international performance. Therefore, this PhD dissertation aims to fill these literature gaps and enhance the knowledge within these contrasting areas.

After presenting the research problems and the respective research hypotheses and before showing the research methodology, the following section clarifies the most important theoretical stance of this dissertation.

1.2. Background of the PhD dissertation

The following sub-Sections aim at presenting some theoretical underpinnings on which this PhD dissertation is based. Specifically, it briefly presents the traditional models explaining the internationalisation process (sub-Section 1.2.1). Then it focuses on the Resource Based View (RBV hereafter) and its application within the internationalisation and IE literature (sub-Section 1.2.2). Finally, it mentions the most important underpinnings of the Market Driven Management Theory (sub-Section 1.2.3). An important remark is that these paragraphs do not aim to present a literature review about every topic, but they aim to summarise the most important aspects of every theory which will be mentioned in this PhD dissertation.

1.2.1. Traditional models explaining internationalisation: a synopsis

The purpose of the following sections is to provide a synopsis of the literature on SMEs internationalisation research. Accordingly, theories with a focus on the Multinational Enterprises (MNEs hereafter) and economic approaches to internationalisation such as the monopolistic approach (Hymer 1960), the international portfolio theory (Rugman 1976; Rugman and Verbeke 1992), the eclectic paradigm (Dunning 1997) and the transaction-cost approach (Buckley and Casson 1998; Hennart 1982; Hennart 1996; Teece 1980) are excluded from this review. Following paragraphs deal with the internationalisation theories often used in the literature to describe, explain and guide the internationalisation of the SMEs from a behavioural point of view. Those include the Uppsala Internationalisation Model and its updated versions (Johanson and Vahlne 1977; 1990; 2003; 2009); the network approach (Johanson and Mattson 1988) and the INV paradigm (McDougall et al. 1994; Oviatt and McDougall 1994). Those studies will be used as a starting point for the development of the research questions and hypotheses of this PhD thesis.

The Uppsala Internationalisation Model. Internationalisation can be explained as “the process of increasing involvement in international operations” (Welch and

Luostarinen 1988, p. 36). Traditional frameworks that explain firms' internationalisation were formulated already two or three decades ago. Although there have been a number of attempts to synthesise the internationalisation literature (for detailed reviews: Andersen 1993; Coviello and McAuley 1999; Ruzzier et al. 2006; McAuley 2010), a single, universally accepted definition of "internationalisation" remains elusive (Young 1987; Welch and Luostarinen 1988; Whitelock and Munday 1993) with a number of interpretations being found in the literature (Coviello and McAuley 1999). The most well-known school of research, namely the Uppsala Model (Johanson and Wiedersheim-Paul 1975; Johanson and Vahlne 1977) argued that internationalisation is an incremental process, progressing through a series of stages. The stages theories suggest that the international involvement increases in stages as a result of incremental learning (Ruzzier et al. 2006). The most prominent formulation of stages approach, the Uppsala Model (U-Model hereafter) and its updated versions focus on how organisations learn and how their learning affects their behaviour (Johanson and Vahlne 1977; 1990; 2003; 2009). The heart of the U-Model is rooted in the work of Johanson and Wiedersheim-Paul (1975) and Johanson and Vahlne (1977). The model roughly based on the behavioural theory of the firm introduced by Cyert and March (1963). It is rooted in four basic interrelated concepts, namely: the commitment decisions; the current activities relating to the change in the internationalisation of the company; the market commitment and the market knowledge. The U-Model considers that steps followed by a company in its international development are influenced by its level of internationalisation in terms of knowledge and commitment and that progress made in the international arena (relating to the commitment decisions and the current activities) influences the degree of internationalisation of the company (market commitment and market knowledge). In other words, the U-Model emphasises incremental internationalisation via the acquisition of experiential knowledge about, and gradually increasing commitment to, foreign markets (Johanson and Vahlne 1977; 1990). Thus, the modes of entry into foreign markets are a succession of stages (Johanson and Wiedersheim-Paul 1975) beginning by an irregular export activity, followed by export via independent representatives (agents or distributors), completed by the establishment of a subsidiary company for sales abroad. Due to the necessary progressive accumulation of knowledge related to the entry and

commitment of resources in foreign markets, their development is slow and gradual (Eriksson et al. 2000; Johanson and Vahlne 2003). In other words, the more a company acquires experience in foreign markets, the more its management will be able to commit resources. They start by exporting to countries close to their level of “psychic distance”, resulting in a decrease of the uncertainty and risks related to international sales. Psychic distance has been described by Johanson and Vahlne (1977) as the sum of factors preventing the flow of information to and from the market. As they argued, psychic distance is influenced by differences in culture and language between home and target markets. Recently, Arenius (2005, p. 115) has reviewed the concept of psychic distance “... as factors, such as differences in language, cultures and business practices that prevent and disturb the flow of information between the firm and the market. As the psychic distance increases, the more problematic information flows become”. According to this view, firms target culturally international markets and will not commit additional resources until sufficient relevant knowledge is obtained. Some researchers confirmed that companies start their foreign market ventures in countries that are culturally similar (Kogut and Singh 1988; Johanson and Wiedersheim-Paul 1975; Erramilli and Rao 1993). As knowledge about foreign markets is developed gradually, the U-Model considers internationalisation as a sequential process (Johanson and Vahlne 1990; 2003) and as a series of “option windows” that allow firms to learn (Peng and Wang 2000). Several studies have empirically tested the model during the last couple of decades (Björkman and Forsgren 2000). Some studies have supported the stage model, while some others have not (Melin 1992; Andersen 1993; Coviello and McAuley 1999). Andersen (1997, p. 31) noted that the U-Model builds on the RBV theory of the firm. Increased market knowledge is supposed to increase market commitment and vice versa. It has been argued that the U-model is weak, because it uses only one explanatory variable (i.e. experiential knowledge) and hence, it is not likely to provide any sufficient explanation for a firm’s internationalisation. Instead, it ends up being a mere description of a most typical sequence of internationalisation (Johanson and Vahlne 1990). Furthermore, as Autio et al. (2000, p. 909) have pointed out, this approach stresses the inertial and reactive character of business organisations, neglecting the entrepreneurial strategic choice opportunities. Another strong critique against the U-Model has risen due to the presence of many companies

which simply do not follow the incremental, step-by-step pattern of internationalisation proposed by the stage model (Hedlund and Kverneland 1985; McDougall 1989). The most important feature of these companies is that they derive substantial proportion of sales revenues from global markets shortly after their birth, which means that they are able to follow an accelerated rather than gradual internationalisation process. In their recent contribution, Johanson and Vahlne (2009), referring to the critiques received by several scholars, stated that the aim of the U-Model (1977) was to explain the general elements of the internationalisation phenomenon rather than to replicate the reality in its complexity. Furthermore, they clearly argued that in their original model “there was nothing that indicates that international expansion cannot be done quickly, as far as there is sufficient time for learning” (Johanson and Vahlne 2009, p. 11). In their recent model, which will be discussed in the following section, knowledge maintains a central position in influencing the internationalisation process of firm. Despite the critiques and defences, the U-Model continues to be the most important reference for scholars and academics alike when studying the internationalisation phenomenon.

The Network Approach to Internationalisation. Another useful perspective for studying the internationalisation process of the companies is the network approach. This view focuses on non-hierarchical systems where companies are supposed to invest to build up and monitor their position in international networks (Johanson and Mattson 1988). As Coviello and McAuley (1999) noted, “according to this school of research, internationalisation depends on an organisation’s set of network relationships rather than a firm specific advantage”. These relationships often engage parties such as customers, suppliers, competitors and public support agencies. Built on the recognised importance of the role of networks in the internationalisation of companies (Dyer and Singh 1998; Gulati et al. 2000; Granovetter 1985; Jarrillo 1989; Coviello and Munro 1995), Johanson and Vahlne (2009) revisited their original U-Model (1977) providing a business network view of the internationalisation process. According to the Authors, the internationalisation process is pursued within a network. “Internationalisation is seen as the outcome of firm actions to strengthen network positions” (Johanson and Vahlne 2009, p. 13). “Insidership” in relevant network(s) is, therefore, necessary for successful internationalisation. To become part

of relevant business networks facilitates the identification and exploitation of opportunities as result of the network position. This also helps companies to overcome the liability of outsidership. In other words, knowledge represents the outcome of the network position. Firms embedded in a variety of interdependent relationship develop new knowledge and are able to generate learning, trust and commitment with the partners of the network. Hence, relationship offers potential for knowledge and learning and for building trust and commitment. Both of them are strongly related to identifying and exploiting opportunities and acts as preconditions for internationalisation (Johanson and Vahlne 2009).

The International New Ventures paradigm. The origin of the IE, a new and emerging field of study distinguishable from the traditional IB perspective (Dimitratos and Jones 2005), may be sought in the difficulties encountered by some researchers (Bell 1995; Bonaccorsi 1992; Oviatt and McDougall 1994) in explaining the phenomenon of SMEs' internationalisation from inception with the stage model of internationalisation (Johanson and Vahlne 1977; 1990; 2003). Empirical evidences of SMEs that internationalise their business activities at the early stage of their life or just thereafter their inception did not find support in the gradual internationalisation U-Model (Johanson and Vahlne 1977) neither they fall under the three exceptions added to the model by Johanson and Vahlne (1990). Although Johanson and Vahlne (2009, p. 11) stated that in their U-Model "there was nothing that indicates that international expansion cannot be done quickly, as far as there is sufficient time for learning", a large body of literature has been originated around the phenomenon of instant and accelerated SMEs internationalisation. In spite of the various labels adopted (among others, "born global" by Rennie 1993; "INVs" by McDougall 1989; "high-technology starts-up" by Jolly et al. 1992; "early internationalising firms" by Rialp et al. 2005a), these companies have been considered expression of IE (Zucchella and Scabini 2007). Since the beginning of the 1990s, many empirical studies have examined the accelerated internationalisation of born global companies (Hedlund and Kverneland 1985; Ganitsky 1989; McDougall 1989; Jolly et al. 1992). These studies suggest that the born global phenomenon is substantial and occurs in various countries and industries.

In their explanation of the existence of INVs, Oviatt and McDougall (1994, 2005b) included some concepts coming from the field of Entrepreneurship, in particular the concept that new ventures may acquire influence or control over some vital resources without detaining them. They also highlighted the field of Strategic Management by integrating the way a competitive advantage is developed and sustained. In sum, their explanatory framework of the existence of new and international companies is based on four distinctive elements:

- the organisational formation through internalisation of some transactions;
- the strong reliance on alternative governance structures;
- the establishment of foreign location advantages;
- the control over unique resources (including knowledge).

The theoretical framework of Oviatt and McDougall (1994), rooted in the RBV, states that born global companies must possess unique resources in order to gain a sustainable competitive advantage in the global arena. This view is coherent with Autio (2005) for whom unique technological knowledge leads companies to conceive more precociously a global offer on a global level. Knight and Cavusgil (2004) put forward the importance of the culture of innovation, knowledge and the capabilities of the company to explain its early internationalisation. Contrary to the stage internationalisation model perspectives, McDougall et al. (1994) used the entrepreneurs' skills and personality to explain the dynamics of born globals. Due to his/her global mindset (Nummela et al. 2004b), entrepreneurs and managers have a great awareness of internationalisation even before the inception of his/her new venture. As a result, he/she manages to create international networks during and after the creation of the company (Sharma and Blomstermo 2003; Coviello 2006). The entrepreneurs setting up born globals as well as their teams develop international skills right from the beginning, by orientating the venture completely towards foreign markets (Oviatt and McDougall 1994; Oviatt and McDougall 2005b). Therefore, entrepreneurs are likely to be predisposed to acquiring and developing capabilities in international business while avoiding the phenomenon of "path-dependency" of domestic competences with the resulting inertia for the company. Entrepreneurs of

born global companies have the ability to learn by actively seeking knowledge about foreign markets, potential customers and competitors and issues of operations across national borders (Oviatt and McDougall 1995). Moreover, born globals do not specifically internationalise into countries that are close in terms of psychic distance, but they also consider other aspects such as the access to the market, the importance of the market for their products and/or their international networks (Bell 1995; Burgel and Murray 2000) as well as the possibility of transferring knowledge internationally (Oviatt and McDougall 1994; Autio et al. 2000; Autio 2005). Summarising, the “going global” decision is described as being entrepreneurial and proactive, so as companies start their internationalisation in the pursuit of growth opportunities (Sapienza et al. 2006; Zhou 2007; Zucchella and Scabini 2007). It is also interesting to notice that, since the 1990s, many scholars have referred to the internationalisation process of born global companies using different labels. For example, “accelerated internationalisation” is the common label (McDougall 1989; Coviello and Munro 1995; Shrader et al. 2000; Crick and Jones 2000; Knight and Cavusgil 2004; Freeman et al. 2006; Pla-Barber and Escribá-Esteve 2006; Freeman et al. 2010). Coviello and Munro (1995, p. 49) reported to the “compressed internationalisation” process of some high-tech firms over a short period of time. Jones (2001, p. 203) identified a wide percentage of SMEs that “...appear to be plunging into cross-border activity rather than dipping their toes in the water”. Luo et al. (2005, p. 704) used “fast speed” internationalisation. Boter and Holmquist (1996, p. 472) described born globals as firms that show a “rapidly and in giant leaps” internationalisation process. Moreover, Chetty and Campbell-Hunt (2004, p. 64) coined the term “gusher”. According to the Authors, when a firm experiences a gusher, it is taken in unexpected directions, thus influencing how the firm behaves in its internationalisation efforts. Obviously, the born globals are better at managing the gusher because of their more active learning strategies. Tuppura et al. (2008, p. 474), comparing the born globals’ and traditional exporters’ internationalisation process, used the term “sprinkler” or “waterfall” strategies. Cheng and Yu (2008, p. 336) classified firms as “incremental or radical in style”. Luo and Tung (2007) and Filatotchev and Piesse (2009) used “springboard internationalisation”. Nummela et al. (2004a) introduced the topic of their paper with the catchy title “Rapidly with a Rifle or more Slowly with a Shotgun?”.

1.2.2. Resources Based View and Dynamic capability View

This section summarises the RBV and the dynamic capability view frameworks and their application within the Internationalisation and IE literature.

Resources Based View and Dynamic Capability View. RBV has come a long way since the mid-1980s, when it was first being formulated by Rumelt (1984), Wernerfelt (1984) and Barney (1986). Since the mid-1980s, RBV has grown rapidly until it arguably became one of the most influential streams in Strategic Management (Mahoney and Panclian 1993), IB (Barney 2001; Peng 2001), IE literature (D'Angelo and Wagner 2010) and recently, in the field of International Marketing (Day 1994; Srivastava et al. 2001). The approach states that growth and performance are determined by the firm's unique bundle of resources (Wernerfelt 1984; Barney 1991; Peteraf 1993). The RBV has its roots in the seminal work of Penrose (1959), who suggested that the returns earned by the firm could largely be attributed to the resources they hold. Penrose's objective was to understand the process through which firms grow and the limits of growth. Besides looking inside a firm to analyse the ability of firms to grow, Penrose (1959) made several other contributions to what became resource based theory (Barney and Clark 2007). First, she observed that the bundles of productive resources controlled by firms could vary significantly among companies and they are fundamentally heterogeneous even if they are in the same industry. Second, Penrose adopted a very broad definition of what might be considered a productive resource. Where traditional economists (e.g. Ricardo) focused on just a few resources that might be inelastic in supply (such as land), Penrose began to study the competitive implications of such inelastic productive resources as managerial teams, top management groups and entrepreneurial skills. Finally, Penrose recognised that, even within this extended typology of productive resources, there might still be additional sources of firm heterogeneity. Thus, in her analysis of entrepreneurial skills as a possible productive resource, Penrose observed that some entrepreneurs are more versatile than others, some are more ingenious in fund-raising, some are more ambitious and some exercise better judgment.

Of course, not all firm resources hold the potential of sustained competitive advantages. To have this potential, a firm resource must have four attributes: it must

be valuable, in the sense that it exploits opportunities and/or neutralises threats in a firm's environment; it must be rare among a firm's current and potential competition; it must be imperfectly imitable and it must be able to be exploited by a firm's organisational processes. These attributes of firm resources can be thought of as indicators of how heterogeneous and immobile a firm's resources are, and thus how useful these resources are for generating sustained competitive advantages.

The development of RBV has produced also a variety of labels to describe the firm's resource set and has presented divergent views about resources and capabilities (Priem and Butler 2001). Different scholars (Newbert 2008) have used the concepts of resources, capabilities and competences interchangeably and sometimes they overlap (Fahy 2002). This variety of labels may be based in part on Barney's (1991) definition of resources, which lists together firm's assets, capabilities, processes, attributes, information and knowledge. The Author stated that resources are "all assets, capabilities, organisational processes, firm attributes, information, knowledge etc. controlled by the firm that enable it to conceive of and implement strategies that improve its efficiency and effectiveness" (Barney 1991, p. 101). As Barney (1991), Wernefelt (1984) and Grant (1991) have used the term "resources", but they do not distinguish them between tangible and intangible. Respectively, Wernefelt (1984, p. 172) wrote that resources are "... those tangible and intangible resources that are semi permanently tied to the organisation"; Grant (1991) argued that resources are stocks of tangible or intangible assets, such as fixed assets, information, brand, technology, and human capital, which firms use as inputs into production processes for conversion into products or services. Generally, tangible assets refer to the fixed and current ones of an organisation, they are easy to measure, transparent (Grant 1991) and relatively easy to imitate. While intangible resources are the most likely sources of sustainable competitive advantage (Barney 1991; Collis and Montgomery 1995; Hitt et al. 2001). They have relatively unlimited capacity allowing firms to exploit their value or sell them and they are difficult to imitate. Resources lead to competences, understood as unique skills and activities, which a firm can do better than competitors do (Lado and Wilson 1994).

In literature, the dominant view (Amit and Schoemaker 1993; Day 1994; Grant 1991; Makadok 2001) is that resources and capabilities are clearly distinguishable from one another. In their textbooks, Hill and Jones (1992) and Hitt et al. (1997) make a

distinction between resources and capabilities by suggesting that resources are a firm's fundamental financial, physical, individual and organisational capital attributes, while capabilities are those attributes of a firm that enable it to exploit its resources in implementing strategies. Drawing upon Amit and Schoemaker (1993), Makadok (2001, p. 389) defined capabilities as special types of resources, which are "organisational embedded non-transferable firm specific resources whose purpose is to improve the productivity of other resources". Teece et al.'s concept (1997) of dynamic capabilities tends to focus on the ability of firms to learn and evolve (Lei et al. 1996). The Authors have proposed similar distinctions between resources and capabilities and have argued that sustainable competitive advantage involves not only what assets a firm owns but also how the firm integrates and transforms such assets through appropriate capabilities, since capabilities are difficult to acquire and imitate. In this vein, Eisenhardt and Martin (2000, p. 1107) defined dynamic capabilities as "the antecedent organisational and strategic routines by which managers alter their resource base (acquire and shed resources, integrate them together and recombine them) to generate value-creating strategies". Day (1994, p. 38) defined capabilities as a "complex bundles of skills and collective learning, exercised through organisational processes, that ensure superior coordination of functional activities". In the light of all this, resources seems to constitute the raw materials available to the firm's processes, whilst firm capabilities are the processes by which available resources are combined and transformed into valuable offerings for the firm's performance. Thus, capabilities are different from resources as they enable firms to create sustainable competitive advantage more effectively than rivals can by enhancing the productivity of firm resources. In particular, "the capability-building mechanism affects economic profit only after the acquisition of resources and can not do so if such resource acquisitions fail to materialise" (Makadok 2001, p. 389).

These distinctions among types of resources may be helpful in understanding the full range of resources a firm may possess. For two decades, many researchers have developed new ways to describe a firm's resources; moreover, they have often labeled their work as a "new" theory of persistent superior performance or competitive advantage (Barney and Clark 2007). Thus, the literature currently has proponents of "resource-based", "capability", "dynamic capability", "competences"

and “knowledge-based” theories of superior performance (Barney and Clark 2007, p. 34). While each of these theories has a slightly different way of characterising firm attributes, they share the same underlying theoretical structure. All focus on similar kinds of firm attributes as critical independent variables, specify about the same conditions under which these firm attributes will generate persistent superior performance and lead to largely interchangeable empirically testable assertions. In this regards, Barney and Clark (2007, p. 249) have used the terms resources and capabilities interchangeably and often in parallel. Moreover, they argued that these labels did not change the central propositions of RBV, because “changing the label of the independent variable of a theory does not change the central assumptions and assertions of that theory”. In this sense, RBV is not really about resources, per se, but about the attributes that resources must possess if they are to be a source of sustained competitive advantage. Indeed, as Barney and Clark (2007, p. 250) stated, “... that this theory is called resource based is something of an historical accident. It could just as easily have been called capability-based or competence-based, the underlying theory would have remained the same”.

Resources Based View and Internationalisation. Since the mid-1980s, RBV has grown rapidly until it arguably became one of the most influential streams in different field of studies (Peng 2001; D’Angelo and Wagner 2010). Some scholars have used the RBV as a “meta theory” behind internationalisation or the choice of the international growth strategy (Peng 2001). Indeed, the RBV has been an effective framework in advancing knowledge on the internationalisation process both of small and new ventures (D’Angelo and Warner 2010, p. 11). In general terms, the international expansion of a firm can be considered one of several aspects of corporate growth (Casson 1992). From the RBV perspective, international diversification is viewed as a means by which the firm can exploit its resources (Barney 2001). The Authors underlined that the RBV was a useful theory to specify the nature of resources required to overcome the liability of foreignness in the international diversification process of the firms. A key driver of the diversification process is the existence of excess capacity, either of physical assets or intangible assets (Mahoney and Pandian 1993). One strategy through which the firm can exploit these resources is by entering foreign markets. According to Chetty and Wilson (2003), the RBV has always been

considered consistent with the stage theory of internationalisation (Johanson and Vahlne 1977). Among scholars, internationalisation of firms seems to be generally accepted as an economic or behavioural process of value creation that consists of assembling a unique package of resources to exploit foreign markets opportunities (Johanson and Vahlne 2003; Jones and Coviello 2005). Different researchers have generally recognised in the firm's ability to leverage heterogeneous resources an important asset to overcome imitations occurring in the firm's internationalisation process (Bell et al. 2004). In their review of resources-centered studies of export performance, Ibeh and Weeler (2005) underlined the importance of several managerial, organisational, technological and relational-based resources in explaining firm level export performance. Zou and Stan (1998, p. 349) stressed that "firm competences, in terms of both international competence and overall business competences (e.g., strong market position, strong human resources and strong functional capabilities) appear to be important determinants of export performance". More recently, Knight and Kim (2009) introduced the construct of "international business competence" as an intangible and overarching firm resource that creates superior international SMEs performance. In addition, the advent of the rapid internationalisation phenomenon (Oviatt and McDougall 1994) has given a new vigour to research concerned with the resource profile of the firms.

Summarising, a plethora of studies have also applied the RBV in the international context (D'Angelo and Warner 2010; Peng 2001; Zucchella and Scabini 2007). As a result, firms' resources have been indicated as significant determinants of international performance (Aaby and Slater 1989; Katsikeas et al. 2000) and have been largely associated positively with performance of small firms (Manolova and Manev 2004; Wheeler et al. 2008) and with early internationalisation process (Kocak and Abimbola 2009; Kuivalainen et al. 2010; Weerawardena et al. 2007). However, some scholars argued that the main shortcoming of using the RBV as a "meta theory" behind internationalisation relates to its static nature, which does not allow explaining how the resources can be created, used, reconfigured and shared over time within the firm and between partner and rival firms during the internationalisation process (Kocak and Abimbola 2009; Kuivalainen et al. 2010). While accepting much of the content of the RBV, the dynamic capability perspective seems to pay more

attention to the dynamic processes by which the specific capabilities evolve and develop (Teece et al. 1997; Teece 2007).

Within the born globals literature, Knight and Cavusgil (2004) argued that the ability of companies to succeed in foreign markets is largely a function of their internal capabilities. According to this view, the superior ability of certain firms to create new knowledge leads to the development of organisational capabilities (Wu 2007). There is growing evidence that competitive advantage often depends on the firm's superior deployment of capabilities (Christensen and Overdorf 2000; Day 1994). This advantage may result from development of capabilities over an extended period of time that become embedded in a company and are difficult to trade. Alternatively, it may possess a capability that is idiosyncratic to the firm (Dierickx and Cool 1989) or embedded in a firm's culture (Barney 1991). Thus, capabilities are often critical drivers of firm internationalisation (Knight et al. 2004) and performance (Eisenhardt and Martin 2000; Makadok 2001; Teece et al. 1997).

Based on the above discussion, the RBV and the dynamic capability perspectives seem appropriate as the supporting theories to this study. The RBV helps explain how resources and capabilities are developed and leveraged within enterprising firms (Grant 1996; Penrose 1959; Wernerfelt 1984). In this regard, born globals may manifest specific resources and/or capabilities that are instrumental to the conception and implementation of activities in global markets. Although these businesses tend to lack substantial financial resources, they may leverage a collection of more fundamental intangible resources that facilitate their international success. Indeed, dynamic capabilities are particularly important for born globals because they deal largely in the complex, dynamic realm of foreign and increasingly global markets (Zhang et al. 2009).

1.2.3. Market Driven Management Theory

Since the last decades, the attributes of MDOs have been a dominant theme in Strategic Management and Marketing research. The entrepreneurial posture of these companies has been explained through Market-Driven Management theory (MDM hereafter), which nowadays could be considered one of the most innovative and convincing approaches to the understanding of successful companies behaviour in global markets (Day 1994; Brondoni 2007). MDM, which emerged in the late 1980s

with the publication of acknowledged papers (Shapiro 1988; Webster 1988, 1992; Deshpandé and Webster 1989; Kohli and Jaworsky 1990), poses the question of the relationship between markets and behaviour whose goal is competitive advantage. The market-driven approach (Day 1994, 1998; Jaworski et al. 2000; Narver et al. 2004), at least in its early conceptualisation, is based on the silent assumption that the market is somehow a given (Vallini and Simoni 2009). The market needs to be observed and understood and differences in competitiveness are related to differentials in the ability to attract, satisfy and retain customers. In fact, the MDO is one that “reveals a superior ability to understand, attract and maintain customers with a high economic profile” (Day 1999). In other words, firms compete within an existing market structure and the winners are MDOs that are able to organise and exploit resources and capabilities (Hult and Ketchen 2001) so as to create and maintain in time a supply of products/services that offer more value for the customer “faster and better than competitors” (Brondoni 2008, p. 7).

It is argued that companies that are better equipped to respond to market requirements and anticipate changing conditions enjoy long-run competitive advantage and superior profitability (Day 1994). The marketing literature broadly recognises the need for organisations to become market responsive, especially due to the growing complexity of the global and interconnected marketplace. This need is driven by the continuously changing nature of customer preferences and behaviours, as well as the increasingly shifting character of competition (Brondoni 2007; Lambin 2008b). Organisations need to develop an “outside-in” thinking process (Day 1998; Brondoni 2007; Sciarelli 2008) that continually scans the market in order to adapt their strategies to changing conditions and provides valuable solutions to the organisation’s direct and indirect customer, as well as other market stakeholders (Lambin 2008a; Vallini and Simoni 2009). MDOs are especially proficient at anticipating the moves of their competitors (Day 1998; Brondoni 2000; Brondoni 2008) and they favour the continuous development of capabilities and skills in a process of organisational learning (Shapiro 1988; Slater and Narver 1995). For a MDO, time is a resource and major consideration in responding to changing market situations and other environmental conditions affecting the organisation’s ability to achieve and sustain competitive advantages (Brondoni 2009; Rancati 2005). Therefore, the organisational structure must establish processes and protocols that

support rapid responses and the fast generation and dissemination of knowledge about stakeholders' needs. The development of market sensing capabilities requires continuous interactions between the organisation and stakeholders through an effective network of relationships (Arrigo 2009). As Lambin and Brondoni (2001, p. 1) correctly point out "the globalisation of markets highlights a deep re-thinking of long-term development philosophy by leading large corporations, that tend to reconcile a quantitative approach to growth (supply-driven management) with the goal of satisfying demand (market-driven management)". It is not only the continuous change in consumers' preferences that forces firms to adopt a Market Driven approach (Majocchi and Zucchella 2008). It is the overall competitive arena that is constantly being modified, which obliges firms to continually scan the market in order to adapt their strategies to new changing conditions. The MDM approach constitutes a broad paradigm that explains the success of many firms around the world. Indeed, it is now the most up-to-date framework to analyse and explain the behaviour of entrepreneurial global organisations and their success on globalised markets.

1.3. Research methodology

1.3.1. Research context

Since the beginning of the 1990s, many empirical studies have examined the early and rapid internationalisation process of born globals. These studies have suggested that the born global phenomenon is substantial and occurs in various countries and continents. Previous studies in this area are mainly limited to firms operating in advanced economies like America (Yeoh 2000; Knight and Cavusgil 2004), Australia (Evangelista 2005; Mort and Weerawardena 2006) and New Zealand (Chetty and Campbell-Hunt 2004; Coviello and Cox 2006). In the last few decades, researchers have also reported on born globals in emerging economies (Zou and Ghauri 2010; Zhang et al. 2009) and developing countries (Dib et al. 2010). Especially in Europe, born globals have been subject to extensive research in the Anglo-Saxon (Keeble et al. 1998; Crick and Spence 2005; Kocak and Abimbola 2009; Crick 2009) and Northern European countries (Autio et al. 2000; Sasi and Arenius 2008; Tuppuru et al. 2008). On the contrary, only few researchers have reported about born global from Italy

(Zucchella et al. 2007; Gabrielsson et al. 2008a; Presutti et al. 2007; Hagen et al. 2011). This may be partly explained by the fact that data available on Italian exports make the identification of born globals hard.

Additionally, the majority of existing research in the context of IE has utilised high-technology ventures as their unit of analysis (Jolly et al. 1992; Coviello and Munro 1995; Burgel and Murray 2000; Zahra et al. 2000; Kotha et al. 2001). With the exception of services (Erramilli and Rao 1990), the crafts industry (McAuley 1999; Fillis 2001), the seafood sector (Evers and Knight 2008) and the wine industry (Wickramasekera and Bamberly 2001), the emergence of born globals have been closely tied to and interpreted using a single industry context, notably high-tech. In this regard, manufacturing industries were selected for the study, in response to the limited number of studies in a traditionally “low-technology” sector, a context underrepresented in IE research (Evers 2011a). Therefore, given the paucity of research of born global firms in Italy and in low-tech sectors, the objective of this PhD dissertation is to study the internationalisation process followed by a sample of 214 Italian manufacturing companies.

1.3.2. Research method

A cross-sectional design is used to accomplish the research goals. The research instrument, a ten page questionnaire, was developed by the research team from University of Queensland in collaboration with University of Pavia under a common research project on SMEs internationalisation. Five-point Likert scales were used to minimise executive response time and effort (Fowler 1988). The overall scope of the project was to develop a cross-country perspective on the internationalisation process, strategies and performance in a global SMEs universe. The English version of the questionnaire was translated by the Italian research team under the supervision of some renowned Academics. The survey started in early June 2010, when the questionnaire was mailed to a random sample of exporting Italian SMEs in the manufacturing sectors. Appropriate key respondents were identified based on two criteria: possession of sufficient knowledge on management issues and the performance of the firm and adequate level of involvement with regard to the issues under investigation. Those key respondents are middle- or high-level managers, directors, or project managers who satisfy our selection criteria.

The final dataset used for research purposes consists of 214 manufacturing SMEs that operate in global markets. The purpose of this thesis is to compare born globals (that is, companies that have experienced early and rapid internationalisation) with traditional exporters (that is, companies that have followed a traditional internationalisation process). In other words, the precocious and the fast global expansion are the most important features that distinguish born globals from traditional exporters. Along the criteria suggested by Shrader et al. (2000), Cabrol and Nlemvo (2009), Presutti et al. (2007) and Fernhaber et al. (2007), this work uses the following definition of born global:

- born global is a company that is precocious (time to export ≤ 6 years);
- and speed (six-years export intensity ≥ 25 per cent) in its internationalisation process.

In order to answer the research questions, this study seeks to empirically test a series of hypotheses derived from the literature. The quantitative nature of the research aims at conducting rigorous theory testing using both logistic and linear regression analyses. In statistics, logistic regression (sometimes called the logistic model or logit model) is used for prediction of the probability of occurrence of an event. In this study, logistic regression is an appropriate method because it predicts the probability of being a born global on the basis of some organisational capabilities. Logistic regression is well-suited for answering the first research question. Moreover, linear regression was the first type of regression analysis to be studied rigorously and to be used extensively in practical applications. In this PhD thesis, it is applied to explore, firstly, the relationship between born globals and export intensity and secondly, the associations between born globals' international performance and organisational capabilities. This latter typology of regression analysis is used in order to respond to the second research question.

1.4. Structure of the dissertation

The purpose of this dissertation is to examine the contribution of some organisational capabilities to the early and rapid internationalisation of a sample of Italian manufacturing SMEs and their impact on international performance. Chapter 2 presents an overview of the IE field, focusing on its most important and recognised definitions, frameworks and gaps. A comparison of the most acknowledged literature reviews will be presented. Then, starting from Zucchella and Scabini's (2007) work, Chapter 2 introduces and updates the several IEOs recognised in literature. Then, the research area of interest of this PhD thesis will be identified (namely, born global companies). Chapter 3 presents two decades of born globals' literature review, focusing on the main variables that affect and characterise their internationalisation dimensions (namely, precocity and speed). Chapter 4 outlines the research questions and hypotheses of the present work. Chapter 5 and Chapter 6 are, basically, concerned with the methodological issues of this study and the empirical analysis. This PhD thesis is quantitative in nature. Both univariate and multivariate techniques are used in this research. Hypothesis tests using logistic and linear regression with a cross-sectional design are applied in order to accomplish the research objectives (Chapter 7). Finally, the findings are discussed and contrasted in the context of the existing literature. Conclusions, implications and recommendations will be provided where applicable. Limitations of the present work and "emerging issues in management" will be discussed in the final Chapter 8.

CHAPTER 2 - INTERNATIONAL ENTREPRENEURSHIP: A NEW FIELD

*“International Entrepreneurship must be hard, because so few firms attempt it”
(Katz et al. 2003)*

Introduction

International Entrepreneurship represents an evolving and promising field both for research and for practitioners. The interest in the topic arises from the consideration that there is a potential connection between the entrepreneurial posture of the firm and its long run performance. Research in IE has grown over the past decades and it is distinguished by a multiplicity of approaches. This Chapter provides an overview of the IE field, focusing on its most important and renowned definitions (Section 2.1), frameworks and gaps (Section 2.2). Then, for the first time, it presents a comparison of the most acknowledged IE literature reviews (Section 2.3). Moving from Zucchella and Scabini’s (2007) work, this Chapter introduces and describes more in depth the several International Entrepreneurial Organisations recognised in literature (Section 2.4 and sub-Section 2.4.1) and Market Driven Organisations as a special case of Global Entrepreneurial Organisations; it provides an archetype map of the identified International Entrepreneurial Organisations (sub-Section 2.4.2) and finally it suggests a first framework describing their global expansion (sub-Section 2.4.3). Finally, the Chapter provides a synthesis of the findings of the above sections and identifies the research focus of this dissertation.

2.1. International Entrepreneurship: domain and definitions

In the new global business environment, internationalisation has become a primary driving force for competition (Hitt et al. 2001). Traditionally the competitive landscape in international markets was the realm of large companies (McDougall and Oviatt 2000). At that time, there were bigger barriers for entering foreign markets and the internationalisation was the luxury of the largest and strongest companies (Saarenketo et al. 2004). Hence, most of the early studies related to internationalisation have dealt with the large manufacturing firms. Since the last two

decades, many studies have witnessed not only an increasing presence of SMEs on the global scene, but also an emergence of broader and more differentiated global business strategies among SMEs (European Commission 2003; 2010).

The internationalisation process has been researched intensively over the last few decades in a number of theoretical and empirical contributions from different and complementary research perspectives including organisation theory, marketing, strategic, international and small business management (Ruzzier et al. 2006). Issues such as international decision making and management, the development of international activities and factors favouring or disfavouring internationalisation have been studied for both large as well as small businesses. For several decades, research in IB has emphasised large, established multinational enterprises. This perspective was appropriate because international trade was historically dominated by mature and large companies that used their considerable resources to configure complex value chains at locations around the world. Research emphasis has been mainly devoted to the large firms, whereas the small business has received less research attention. SMEs have been traditionally considered as weak contributors to internationalisation because of financial and managerial constraints (Golinelli 1992; Zucchella and Maccarini 1999). However, from the 1960s onward, SMEs' internationalisation has been an evolving and promising field of research for academics as well as for practitioners, including governments. SMEs' internationalisation process has started to attract broader interest, reflecting how small companies have become increasingly active in internationalisation in parallel with the fact that many countries have attempted to increase the international activities of their SMEs in order to boost economic growth, cut unemployment and create potentially larger firms for the future. While previously SMEs were considered passive victims rather than active players, evidence indicates that this view is no longer valid. In the last few decades, many SMEs have successfully set up activities beyond their home markets and their role is increasingly crucial in contributing to future growth (Gjellerup 2000; European Commission 2010). Many researchers have reported examples of SMEs from different countries and industries with impressive performances in global markets (Majocchi and Strange 2007; Pepe and Zucchella 2007; Simon 2009). This argument has even more strength in the Italian context, where the group of internationalising SMEs is reported to outperform its non-

exporting counterparts (Zucchella and Maccarini 1999; Lipparini and Lorenzoni 2000; Majocchi and Zucchella 2003; Varaldo et al. 2009).

Given the nature of today's marketplace, SMEs are increasingly facing similar international problems as those of larger firms (Ruzzier et al. 2006). For many companies, especially SMEs, it is no longer possible to act in the marketplace without taking into account the risks and opportunities presented by global competition and they have to respond to markets at an increasingly faster pace (Pleitner 2002; Brondoni 2010; Lambin 2008b). Factors such as globalisation, changing consumer preferences, developments in manufacturing, advances in Information and Communication Technologies (ICT hereafter) and overall changing competitive conditions provide a favourable environment for micro and small companies now and in the future. Especially the globalisation has modified the traditional space/time relationship of competition that considers time as a competition factor (time-based competition) and competitive spaces (market-space competition) that are open, dynamic and not limited by physical and administrative conditioning, which emerges as an effect of the actions/reactions of companies and government (Brondoni 2010, p. 5). As Brondoni (2010, p. 5) argued, "space and time, therefore, contribute to the creation and modification of the relevant competitive context, heightening the competitive tension in most sectors of economic activity, making it difficult to assess any conditions of market domination and, therefore, increasing the complexity of global markets.

The phenomenon of earlier and faster internationalisation and in particular the emergence of some new ventures that are "born globals" has been attributed in part to these new world environment conditions. The advent of the rapid internationalisation phenomenon has, furthermore, confirmed that SMEs are able to overcome resource constraints and the liabilities of smallness to compete in the global arena (Liesch and Knight 1999; Zahra and George 2002). Moreover, this phenomenon is having a revolutionary effect on traditional perspectives both in IB and Entrepreneurship and it has given impetus to a new academic field, that is, the IE. IE is an emerging field distinguishable from the traditional IB perspective (Dimitratos and Jones 2005). According to Jones and Coviello (2005) and Zucchella and Scabini (2007) the ontological roots of IE can be found at the interception of IB, Entrepreneurship and Strategic Management studies. Indeed, IE is typically

considered one of the key areas for future research in IB (Wright and Ricks 1994; Young et al. 2003; Gamboa and Brouthers 2008), Entrepreneurship (Zahra et al. 1999; Dimitratos and Plakoyiannaki 2003) and Strategic Management studies (Hitt et al. 2001).

IE emerged in the late 1970s when IB scholars turned their attention to the process by which small firms evolved through incremental adjustments to become established MNEs (Johanson and Vahlne 1977). The concept of internationalisation as a process (Luostarinen 1979; Welch and Luostarinen 1988) was mainly explained as a phenomenon of IB and started to be understood as a process of innovation in the early 1990s (Andersen 1993; Bell 1995; Jones 1999). According to Zahra and George (2002), the first known reference in IE dates back to Morrow's (1988) discussions of the age of the international entrepreneur. Morrow suggested that advances in technology, coupled with increased cultural awareness have made once remote markets accessible to companies, whether new ventures or established.

McDougall's (1989) seminal work on new ventures' international sales was one of the first empirical efforts in this emerging area. Her study provided rich insights into differences between these firms and those ventures that did not go international. The driving research questions during that time concerned attempts to explain the emerging phenomenon of "young, unavoidably small" (Young et al. 2003, p. 32) and resource constrained firms that were seen to internationalise rapidly and sometimes immediately after inception. These were variously described as "INVs" (Oviatt and McDougall 1994), "global start-ups" (Jolly et al. 1992), "born globals" (Rennie 1993; Knight and Cavusgil 1996) and "early internationalising firms" (Rialp et al. 2005a). In other words, there is a disparate collection of names used by scholars to label essentially the same phenomenon. Unfortunately, there is no evidence of attempts at unifying the terminology.

Many researchers consider Oviatt and McDougall's (1994) article the starting point of IE research (Autio 2005; Keupp and Gassman 2009). It was concerned with the study of the INV, defined as "a business organisation that, from inception, seeks to derive significant competitive advantage from the use of resources from and the sale of outputs to multiple countries" (Oviatt and McDougall 1994, p. 49). Specifically, Oviatt and McDougall (1994) identified four types of INVs on the basis of value chain activities and the number of countries entered. These are:

- *Export/import start-ups*, that have few international activities in few countries;
- *Multinational traders*, that have few international activities in many countries;
- *Geographically focused start-ups*, that have many international activities in few countries;
- *Global start-ups*, which have many international activities in many countries.

Export/import start-ups and Multinational traders are considered as new international market makers with a small number of value chain activities. Geographically focused start-ups engage in many international value-chain activities for a geographical region of which the input activities are multiple and the outputs are geographically concentrated. Global start-ups have no geographical constraints. Furthermore, the Authors note the existence of mixed types and that firms can change type over time.

The definition of the boundaries of IE has been discussed by many scholars: while some scholars have identified its domain in INVs, others have emphasised the construct of entrepreneurial behaviour which can be observed in different organisations. For example, Zahra (1993) suggests that the study of IE should encompass both new and established companies, defining IE as “the study of the nature and consequence of firms’ risk-taking behaviour as it ventures into international markets” (Zahra 1993, p. 9). Wright and Ricks (1994) propose that IE is observable at the organisational behaviour level and focuses on the relationship between business and the international environments where they operate. Other researchers recognise the importance of the firms’ business environment in influencing the entrepreneurial activities and their returns (Zahra 1991, 1993; Zahra and Covin 1995). Other scholars call for a broader definition of IE (Zahra and Shulte 1994), given that the original intention of IE was to create a new field of academic study where theory on IB and Entrepreneurship intersected.

IE as a domain of scholarly scientific enquiry achieved recognition at the turn of the Millennium with the publication of “International Entrepreneurship: the Intersection of Two Research Paths” (McDougall and Oviatt 2000) which firmly positioned it as residing at the intersection of IB and Entrepreneurship and provided for the first time a definition, thus conferring some legitimacy on the emergent field. McDougall and

Oviatt (2000, p. 903) defined IE as “a combination of innovative, proactive and risk-seeking behaviour that crosses national borders and is intended to create value in organisations; the study of IE includes research on such behaviour and research comparing domestic entrepreneurial behaviour in multiple countries”. Individual, group, organisational levels of behaviour and academic studies are included. The definition of IE, however, is a matter of continuing debate and evolution.

In 2003, the definition changed again, this time toward a stronger focus on opportunity recognition that positioned IE closer to the Entrepreneurship mainstream. In 2005, Oviatt and McDougall updated their past definition: “IE concern the discovery, enactment, evaluation, and exploitation of opportunities, across national borders to create future goods and services” (Oviatt and McDougall 2005, p. 539). According to this definition, it follows that the scholarly field examines and compares, across national borders, how, by whom, and with what effects those opportunities are acted upon (Oviatt and McDougall 2005a, p. 530). Oviatt and McDougall (2005b) explained that their 1994 article sought to account for the phenomenon of INVs by combining internalisation theory, the concept of alternative governance structures, the idea of sources of foreign location advantage and the notion of sustained competitive advantage. Mathews and Zander (2007) observed that none of these theoretical elements is nevertheless specific to internationalisation. Zahra (2005) perceived that the four INV types identified by Oviatt and McDougall (1994) have received less attention. He identified a research gap in studying INVs under different industry-, market-, firm- and entrepreneur-related conditions and the resultant differences in their performance. Zahra (2005, p. 23) expanded this argument in an interesting way which is relevant to the research theme of this study; he drew attention to the research question of “why some new ventures opt to go international from inception whereas many others opt to focus on their domestic markets”. He noted that there is an important knowledge gap about INVs’ different strategies and their sources of competitive advantages. In the same vein, Baum et al. (2011, p. 306) asserted that “... different internationalisation strategies are confounded under the label of INV and studies may misspecify the impact that the variables of interest have on international new venturing depending on the types of INVs observed”.

In addition, Gamboa and Brouthers' (2008) meta-analysis from 1986 to 1990 and from 2000 to 2004 indicated that more IE research had been published in major Entrepreneurship than in leading IB and management Journals. Therefore, IE content was found to be limited in the IB Journals and even more restricted in the management Journals. In the same vein, Young et al. (2003) argued in favour of the application of more IB theories and notions in IE studies and they call for a more "international nature" of future IE examinations. According to the Authors, by paying more attention to IB, IE studies would cover international activities of young and old, small and large, private and public sector organisations, which employ any market servicing mode abroad.

As Keupp and Gassmann (2009) claimed, IE research has not attained the necessary theoretical rigour and external theoretical legitimisation yet. In this line of thinking, Zucchella and Scabini (2007) proposed that the theoretical advancement of IE lies in the interplay among the Entrepreneurship, IB and Strategic Management fields. Furthermore, they suggested that the focus of IE research should shift from firm age, size and industry to resources, processes and capabilities of various types of firms that foster their international entrepreneurial orientation. Very recently, Jones et al. (2011) respond to criticism that research in IE is fragmented, inconsistent and lacking in unifying paradigms and theory. The Authors counter that such criticisms are often the result of efforts to evaluate a new scholarly domain by summarising a field's theoretical elements (e.g. data, variables, constructs, hypotheses) in a de-contextualised manner. In fact, as they argued, "... if it is accepted that the process of theory development is gradual and incremental, criticisms of IE are provocative but perhaps premature since as a domain, IE is little over two decades old" (Jones et al. 2011, p. 28).

From the seminal writing by McDougall (1989) and then with the first attempt to establish a definition, focus and name in 2000, IE has gained considerable momentum in recent years. For example, the *Academy of Management Journal* in 2000, the *Entrepreneurship Theory and Practice* in 2005, the *International Marketing Review* in 2006, the *European Management Journal* in 2008 have devoted special issues to this field, which has recently led to the founding of new academic Journals (e.g. the *Journal of International Entrepreneurship* and the *Strategic Entrepreneurship Journal*) and the creation of workshops both for scholars and students. *Journal of Business Venturing*

regularly publishes articles in the area. The *Journal of International Business Studies* has established an editorial area for IE and also International Marketing oriented Journals have recognised the importance of this field. In 2004, an edited handbook of the field was published (Dana 2004) and in 2007 a book summarised the theoretical foundations of IE (Zucchella and Scabini 2007). In summary, academic interest in IE is strong.

The main purpose and implicit research questions of a plethora of articles, volumes and special issues are to establish the parameters of the field, the extent of extant knowledge to date and identify paradigms, theories and methods that might serve to consolidate and unify IE as an emergent but still embryonic field of study (see for example: Zahra and George 2002; Coviello and Jones 2004; Rialp et al. 2005a; Autio 2005; Jones and Coviello 2005; Zucchella et al. 2007; Aspelund et al. 2007; Wright et al. 2007; Keupp and Gassman 2009; Coombs et al. 2009; Jones et al. 2011). A comparison among different definitions and literature reviews of IE over the last decades may permit observation of the gradual enlargement of the research field. Table 2.1 below summarises and compares the most acknowledged definitions and perspectives of IE. Then, the next paragraph compares the most important and renowned IE literature reviews (for a summary, please, see Section 2.3. and Table 2.3 and Table 2.4 at the very end of this thesis). In fact, to our best knowledge, no other researchers have compared and have analysed them in detail as of yet.

Table 2.1 – Some IE definitions and perspectives

AUTHORS	YEAR	IE DEFINITION/DOMAIN
McDougall	1989	IE is defined in this study as "the development of INVs or start-up that, from their inception, engage in international business, thus viewing their operating domain as international from the initial stages of the firm's operation".
Zahra	1993	"IE is the study of the nature and consequences of a firm's risk-taking behaviour as it venture into international markets".
Gianmartino, McDougall and Bird	1993	Authors, heading an entrepreneurship-division-wide panel, call for expand the domain of IE field.
Oviatt and McDougall	1994	"INVs is a business organisation that, from inception, seeks to derive significant competitive advantage from the use of resources and sale of outputs in multiple countries".
Wright and Ricks	1994	Authors highlighted the growing importance of IE as an emerging research theme. They suggest that IE is a firm-level activity that crosses national border and focuses on the relationship between business and the international environment in which they operate.
McDougall and Oviatt	1996	IE is defined as "new and innovative activities that have the goal of value creation and growth in business organisation across national border".
Oviatt and McDougall	2000	"IE is a combination of innovative, proactive and risk-seeking behaviour that crosses national borders and is intended to create value in organisations. The study of IE includes research on such behaviour and research comparing domestic entrepreneurial behaviour in multiple countries". Authors additionally noticed that firm size and age are defining characteristics. This definition exclude non-profit and governmental agencies.
Shrader, Oviatt, and McDougall	2000	Authors define the phenomenon of "accelerated internationalisation as firms engaging in international business activities earlier in their organisational life cycles than they have historically.
Knight	2000	Authors posit that IE is associated with opportunity seeking, risk-taking and decision action catalysed by a strong leader or an organisation.
Shane and Venkataraman	2000	Authors defined "international entrepreneurial dynamics" as "the scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated and exploited."
Knight	2001	"IE orientation reflect the firm's overall proactiveness and aggressiveness in its pursuit of international market".
Zahra and George	2002	IE is defined as "a process in which firm would discover and exploit opportunities in the international marketplace". Authors argue that there is a "tremendous opportunities" for research in IE and their definition expand the domain of the field to include both new and corporate ventures.
Kuemmerle	2002	Based on Oviatt and McDougall definition (1994), the Author redefine IE as "the development of INVs or start-ups that, from their inception, engage in either home-base-augmenting or home-base-exploiting activities or both, thus viewing their operating domain as international from the initial stages of the firm's operation".
Yeung	2002	Authors extend the notion of "intrapreneurs" to government-linked companies operating abroad, hence potentially emphasizing the importance of the state as a political international entrepreneurial organisation. Therefore, IE has the potential to distinguish activities of all private and public organisations transcending national borders, regardless of age, size or industrial sector.
Dimitratos and Plakoyiannaki	2003	"IE is an organisation-wide process which is embedded in the organisational culture of the firm and which seeks through the exploitation of opportunities in the international marketplace to generate value". Authors develop and discuss a conceptual framework of an "international entrepreneurial culture" which consists of six dimensions (i.e. international market orientation, international learning orientation, international innovation propensity, international risk attitude, international networking orientation and international motivation).

Young, Dimitratos and Dana	2003	Authors call for the application of more IB theories and notions in the IE study; moreover, they argue in favour of an enlargement of the IE scope: IE study would cover international activities of young and old, small and large, private and public sector organisations which employ any market servicing abroad.
Coviello and Jones	2004	Authors review the methodological issue in IE, identify gaps and future research orientations.
Oviatt and McDougall	2005	"IE is related with the discovery, enactment, evaluation, and exploitation of opportunities, across national borders, to create future goods and services. It follows, therefore, that the scholarly field of IE examines and compares-across national borders-how, by whom, and with what effects those opportunities are acted upon". Additionally, in this article, Authors suggest a model of forces influencing internationalisation speed and recognise the importance of the INVs within IE field.
Jones and Coviello	2005	"IE is an evolutionary and potentially discontinuous process determined by innovation and influenced by environmental change and human volition, action or decision". Authors also propose a framework for IE.
Zahra, Korri and Yu	2005	Authors suggest that a cognitive perspective could induce greater depth and variety into future IE research, further improving its scope, relevance and rigor.
Zahra	2005	Authors perceived that the four INV types identified by Oviatt and McDougall (1994) received less attention as compared to other parts of their arguments and noticed that there is an important knowledge gap about INVs' different strategies and their sources of competitive advantages.
Autio	2005	Authors recognise the importance of the Oviatt and McDougall's (1994) work for the IE, but he consider their contribution as a key, self-sufficient complement to the process theory of internationalisation, one that adds tremendous new insight into the phenomenon of internationalisation in general and new venture internationalisation in particular. But state that IE lack of a framework.
Coviello	2006	Authors tried to reconceptualize IE as a dynamic process that evolves over time.
Mathews and Zander	2007	Authors tried to reconceptualize IE as a dynamic process that evolves over time.
Zucchella and Scabini	2007	Authors report examples of IEOs and posit that "an organisation is entrepreneurial not just because it is newly born but because it can demonstrate its possession of entrepreneurial capabilities over time". Then they propose a resource based-capability framework for IE.
Gamboa and Brouther	2008	In their meta-analysis Authors found that IE content are limited in the IB Journals and even more restricted in the management Journals.
Keupp and Gassman	2009	Authors carry out a systematic literature review about IE and identified numerous gaps and suggestion for further research.
Coombs, Sadrieh and Annavarjula	2009	Authors carry out a systematic literature review about IE and identified numerous gaps and suggestion for further research.
Karra, Phillips and Tracey	2009	The Authors posit that "the best definition of IE is one based on international resources configurations" and "IE involves building competitive advantage by developing complex international resources configuration".
Szyliowicz and Tiffany	2010	"As our review suggests, IE has heretofore focused on the entrepreneurship dimension to the neglect of the international. The research demonstrates an agreement on the important role of institutions for IE but institutional arguments are utilised in a limited way" "...".We argue that institutional theory can contribute more to the field of IE".
Zucchella	2010a	First attempt to map IEOs in terms of age and governance.
Jones, Coviello and Tang	2011	Authors explore the domain of IE by thematically mapping and assessing the intellectual territory of the field.

Source: adapted and updated by Zahra and George (2002), Zucchella and Scabini (2007)

2.2. Alternative frameworks of International Entrepreneurship

Past studies have shown a need to develop an integrative framework relevant to the emergent field of IE in order to provide a basis for future theory building, testing and empirical analysis. This paragraph presents the most recent approaches which are representative both of the status of the field and the debate of the subject: Zahra and George (2002), Jones and Coviello (2005) and Zucchella and Scabini (2007).

Zahra and George (2002, p. 276) offered an integrative framework of IE on the basis of the results of their literature review of the field. Their model includes three sets of variables that affect IE: organisational (i.e. top management team, firm resources, firm-related variables like age, size, financial, strength, location and origin); environmental (i.e. competitive forces, growth opportunities, national culture, industry profitability, institutional environment, economies of scale) and strategic (i.e. competences, differentials/proximity, generic strategies, functional strategies, entry strategies). As the Authors noted, their list is not completely exhaustive, given that they carried out their review during a formative stage of the IE and they called for the identification of additional organisational variables that could determine a firm's drive to internationalise. In their model, environmental and strategic variables moderate the strength of the relation among organisational variables and IE dimensions. IE consists in three dimensions: extent, speed and scope. Extent refers to the dependence of the firm on international revenues or the number of the markets that a firm has entered. Speed indicates the rate at which the firm enters new markets. Scope evaluates the breadth of the internationalisation process. It regards geographic scope if the regions are the unit of analysis or economic/product scope if breadth of the product mix are considered. According to the Authors, also these dimensions could be enlarged in the future. Finally, they suggested a set of outcomes from IE, that is, financial and non-financial performance. These two performance indicators are important because IE needs to be evaluated through the use of multiple measures in order to improve future research in this area.

Jones and Coviello (2005, p. 293), in response to the call for a unifying direction for research in the emergent field of IE (Coviello and Jones 2004), propose a three-stage process of conceptual development, where the outcome is three models of different

degrees of precision that conceptualise internationalisation as a time-based process of entrepreneurial behaviour. The most important variables regarded entrepreneurial and firm-related factors, but also environmental and performance factors. The model represents a process of “cyclical behaviour” where the entrepreneur and the firm are the main actors but environmental changes may affect international behaviour as well as performance variables which operate as a feedback. According to the Authors, the internationalisation of any entrepreneurial typology of firms could occur as a “value-creating event” consisting of cross border business activities between the firm and the organisations or individuals in foreign markets. “Fingerprints patterns” and “profile” are defined as “composite of the number of and range of cross-border business modes established by the firm and the number and distance of countries with which those modes were established at a specific point of time” (Jones and Coviello 2005, p. 293). Several fingerprints together with the entrepreneur’s characteristics and the firm’s non-financial measures may be seen as elements to indicate differences between firms. The most interesting conclusion is that entrepreneurial international behaviour may occur or cease at any time, leading to several international decisions, processes/activities and allowing the possibility of every company that shows typical entrepreneurial aspects in an international environment to be considered as a suitable firm for IE models. Finally, it is interesting to report that very recently two interesting studies applied this model to explain the internationalisation behaviour of high technology firms created through the commercialisation of academic research (Styles and Genua 2008) and to describe the accelerated internationalisation of e-commerce companies (Hagen and Zucchella 2011).

Zucchella and Scabini (2007, p. 126) propose a resource/capabilities-based model for IEOs. The Authors stated that the IE process firstly involves “international opportunities scanning and evaluation”. Entrepreneur and/or top management team play a key role in this process because the entrepreneurs are the individuals who identify new opportunities and convert them into marketable products and services. Once opportunities in the overall marketplace are identified and evaluated, the entrepreneur/entrepreneurial team mobilize resources in order to develop new combinations for the market. During the international resources mobilisation phase,

firms build resources positions either acquiring kinds and combinations of external resources or developing firm specific resources internally or partnering with other firms for joint development and sharing. The ability to reconfigure and to integrate internal and external resources and competences leads firms to develop dynamic capabilities. According to the Authors, in this entrepreneurial approach to the dynamic capabilities model, entrepreneurial behaviour is crucial for different reasons. Firstly, it permits coordination and integration of internal and external activities, resources and technologies; secondly, it permits the shaping of learning processes within the firms; then it permits the reconfiguration of the firm's asset structure in terms of market, production portfolio and/or internal processes. Finally, dynamic capabilities enable the firm to perform in terms of profitability, growth, international intensity, scope and precocity. In this model it is evident that IE is not only the entry in a foreign market, but it is a combination of attitudes at the individual and organisational level (in terms of innovativeness, proactiveness and risk-seeking) and of actions over time along an evolutionary and potentially discontinuous process.

2.3. International Entrepreneurship literature reviews: a first comparison

The importance and the complexity of the IE field have been also demonstrated by the efforts of some researchers to carry out a literature review. These acknowledged reviews have analysed IE from different perspectives. These studies have made important contributions to the IE field, identifying its characteristics and shortcomings. While some reviews are strictly related to the field (Zahra et al. 2002; Coviello and Jones 2004; Keupp and Gassman 2009; Coombs et al. 2009) others focus on one of the streams of research belonging to the domain of IE (Rialp et al. 2005a; Aspelund et al. 2007). This paragraph aims to present and to compare, for the first time, a brief and synthetic review of the most relevant "literature reviews" in the IE field over the last decade. Despite the very insightful contributions of Autio (2005), Zahra (2005) and Oviatt and McDougall (2005a; 2005b), this section does not refer to and compare these studies. In fact, two of them (namely, Autio 2005 and Zahra 2005) are not reviews, but commentaries motivated by the fact that Oviatt and McDougall's (1994) seminal work in 2004 won the Decade Award Winning Article in the *Journal of International Business Studies*; while Oviatt and McDougall's (2005b) paper provides

both a reformulate definition and framework of accelerated internationalisation without proposing neither a specific nor synopsis of the previous studies of the field.

Zahra and George (2002) reviewed the contributions of research into IE from its inception (1988) to 2000. The Authors analysed the status of the field from four perspectives. First, they expanded the definition and the domain of IE; second, they reviewed past research in order to identify and consolidate factors that may affect the field; third, they advanced an integrative framework that links factors (i.e. strategic, environmental and organisational) affecting IE (in term of extent, speed and scope) and their outcomes (both financial and non-financial performance); finally, they also provide specific directions and suggestions for the future research in this “young but interesting area of literature” (Zahra and George 2002, p. 283).

Coviello and Jones (2004) addressed the methodological issue in IE. In their work, the Authors analysed systematically fifty-five articles focusing on time frame and research context, sample characteristics, data collection/analysis procedures and equivalence issues. Their findings indicate both strengths and weaknesses in IE methods, present implications for developing a unifying methodological direction and the evolution of a truly multidisciplinary approach. The Authors also outline the need for dynamic research designs that integrate positivist with interpretivist methodologies and incorporate time as a key dimension.

Rialp, Rialp and Knight (2005) present a literature review more focused on the phenomenon of early internationalisation. The Authors firstly examined thirty-eight studies from the last decade (1993-2003) that deal with “INVs”, “global start-ups” and “born globals”. Although some studies were published earlier (see, for example, Hedlund and Kverneland 1985; Ganitsky 1989; McDougall 1989; Jolly et al. 1992) the Authors established a cut-off year in 1993 because it is the time period within which the vast majority of relevant studies have appeared. The methodology used for the review allowed them to analyse a large number of recent, purposefully chosen studies that were compared along four criteria: main objective and type of research; theoretical framework/s of reference; methodological issues and main findings and/or conclusions. Then, they clarified the most relevant benefits and contributions as well as potential drawbacks, limitations or major discrepancies found in the

research activities conducted till 2003. Finally, they have also provided an exploratory resource-based model of early internationalisation.

Aspelund, Madsen and Moen (2007) propose a systematic review of top Journals within Entrepreneurship, international marketing and management over the years 1992-2004. The focus was primarily on studies with empirical evidence and discusses findings related to the founding of the firm, organisational features, environmental factors and their influence on market strategy and firm performance. The Authors organised their review according to an expanded version of the conceptual framework presented by Madsen and Servais in 1997. They propose that the international marketing strategy of an INV would be influenced by three key groups of factors: processes around the foundation of the firm, organisational issues and aspects related to the environment. Furthermore, they suggest that the chosen international marketing strategy has a key impact on the international performance of a firm.

More comprehensive systematic literature reviews of the “state of the art” related to the field have recently been published by **Coombs, Sadrieh and Annavarjula (2009)**, **Keupp and Gassman (2009)** and **Jones et al. (2011)**.

In their work, **Coombs, Sadrieh and Annavarjula (2009)** analysed this promising field covering more than one hundred of empirical and conceptual studies in twenty years of academic research (1982-2002). The papers are examined on the basis of six specific dimensions, i.e. key issues, theoretical perspectives, sample, research method, data analysis and dependent variable.

Keupp and Gassman’s (2009) systematic literature review proposed a complete analysis of one hundred seventy nine articles published in the top-tier Journals of four scholarly areas, since the inception of the field in 1994 until 2007. From a systematic content analysis of the literature, the Authors develop an organising framework to analyse the field’s current status. On the basis of this analysis, they have identified theoretical inconsistencies, conflicting predictions and knowledge gaps that all forestall the further development of IE research.

Finally, **Jones, Coviello and Tang (2011)** identified more than three hundred relevant articles published in the period 1989–2009 and explored the domain of IE by thematically mapping and assessing the intellectual territory of the field. The Authors classified the reviewed papers into three major types of IE research (namely,

entrepreneurial internationalisation; international comparisons of entrepreneurship; comparative entrepreneurial internationalisation). This typology was constructed by ontologically grouping and classifying fifty-one first-order themes that were derived from the reviewed articles. Unlike the previous reviews, they are optimistic regarding the future of the field. In fact, the Authors concluded that IE has several coherent thematic areas and it is rich in potential for future research and theory development.

It is important to notice that there are some differences among the previous literature reviews (for a more detailed comparison, please, see also Table 2.3 and Table 2.4 at the very end of this thesis). In terms of content, some reviews evaluated the general status of the field respectively after ten (Zahra and George 2002) and twenty years (Keupp and Gassman 2009; Coombs et al. 2009; Jones et al. 2011). In fact, the shortcomings, the lack of one unified framework and the increasing importance of the IE field “suggest a *need to pause* and consider the current status and cumulative contributions of research into IE and to discuss ways to enhance future contributions” (Zahra and George 2002, p. 255-256). Also, “the Authors analyse the field of IE, which is in *desperate need* of further theory and development” (Keupp and Gassman 2009, p. 600). “As the field of IE begins *to coalesce*, as our aim is to review and assess the methodological aspect of the IE literature in order to offer insight as to the state of the art of IE method and discuss the implications for future development of the field” (Coviello and Jones 2004). Also, while Keupp and Gassman (2009), Zahra and George (2002) and Coombs et al. (2009) span from the domain/definitions to methodological aspects and frameworks, Coviello and Jones (2004) focus only on the methodological issues of IE. From a different perspective, Jones et al. (2011) carried out the IE literature review in order to demonstrate that while the domain may have no unifying framework to date, their thematic map and ontology show that the field is diverse but growing in coherence in several thematic areas.

In order to determine the relevant articles, Coviello and Jones (2004), Keupp and Gassman (2009) and Jones et al. (2011) classify them as within or outside the domain of IE using McDougall and Oviatt’s (2000) definition. But, while Coviello and Jones (2004) and Jones et al. (2011) consider this definition the “starting point” of the IE research, Keupp and Gassman (2009) used it because of its ability to capture both the type of empirical IE research that is focused on analysing small new ventures as well

as IE articles that make contributions irrespective of firm size or age and conceptual articles. Also, the year selected for the beginning of the review varies among articles. For example, Coviello and Jones (2004) and Zahra and George (2002) opt for 1988 because it was the year of the first known reference to IE (i.e. Morrow 1988). Keupp and Gassman (2009) begin their review in 1994 because it was the year when Oviatt and McDougall's (1994) decade-winning article was published in *Journal of International Business Studies* and they consider it a key trigger for the development of the field. The two others reviews (namely Rialp et al. 2005a and Aspelund et al. 2007) fill a gap in the area by solely focusing on studies referring to the INVs/born global firms, which is an important topic within IE (McDougall and Oviatt 2005a). The Authors selected as a starting point the early 1990s: although some studies about born global/INVs were published earlier (see, for example, Hedlund and Kverneland 1985; Ganitsky 1989; McDougall 1989), Authors agree that it was the time period within which a vast majority of relevant studies have appeared. The Authors focus their reviews only on born global/INVs because the topic "is becoming an important part of the growing IE literature" (Rialp et al. 2005a p. 148) and because "previous reviews have not covered the international marketing strategy of INVs in detail" (Aspelund et al. 2007, p. 1425). In fact, while the review by Rialp et al. (2005a) has its main focus on the theoretical foundations as well as the objectives/types of research on INVs, the one by Aspelund et al. (2007) summarises the empirical findings with particular attention on international marketing strategies in born globals.

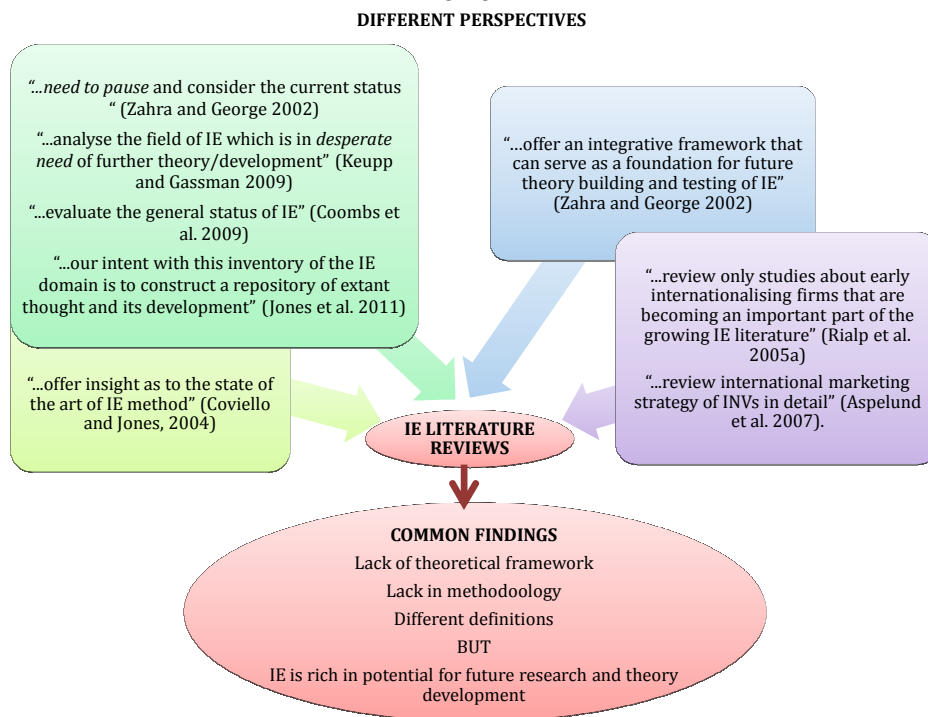
Additionally, two publications move a step forward from a purely synthetic review of a selected number of studies and suggest also a new theoretical framework in order to enhance the knowledge about the general IE field (Zahra and George 2002) and "early internationalising firms" (Rialp et al. 2005a).

The methodology selected for the review process is different. In some cases, researchers explain in detail the process followed (Jones and Coviello 2004; Rialp et al. 2005a; Keupp and Gassman 2009), motivate the list of keywords, Journals and articles analysed (Jones and Coviello 2004; Rialp et al. 2005a; Keupp and Gassman 2009; Jones et al. 2011). Moreover, in two reviews, researchers specify the exhaustive motivations for the exclusion of the studies (Jones and Coviello 2004, p. 488; Jones et al. 2011, p. 18). In one work (Keupp and Gassman 2009), cluster analysis was carried out in order to classify the reviewed papers. In contrast, other Authors select a more

“schematic” approach and summarise the main results through detailed tables (Zahra and George 2002; Coombs et al. 2009) or through the support of a framework (Aspelund et al. 2007).

Finally, in agreement with past studies (Acs et al. 2003; Autio 2005; Dimitratos and Jones 2005; Oviatt and McDougall 2005a, 2005b; Zahra 2005), all the reviews conclude that many knowledge gaps, theoretical inconsistencies and conflicting predictions limit the complete understanding of IE (Figure 2.1). There is *no unifying paradigm* (Zahra and George 2002) and there is *great variety* in the theoretical and methodological approaches (Keupp and Gassman 2009; Coviello and Jones 2004). This problem can be directly traced to a lack of definitional rigour regarding what IE is. Despite the progress made toward defining IE definition and domain, the aforementioned literature reviews confirm both the variety of approaches and the lack of common theoretical perspectives within IE. The field has been recently described as being in a “state of flux” (Szyliowicz and Galvin 2010, p. 317), as “a matter of continuing debate and evolution” (Oviatt and McDougall 2005a, p. 539) and as methodologically weak because it needs “more dynamic research designs that integrate positivist with interpretivist methodologies and incorporate time as a key variable” (Jones and Coviello 2004, p. 499-500). However, Jones et al. (2011) contended that rather than suffering from theoretical paucity, the intellectual territory of the IE domain presents rich potential with many clearly indicated avenues for theoretical development. As the Authors pointed out, “... while there may be no unifying framework per se, our ontology shows that the domain is diverse but growing in coherence. As a result, we argue that due to the multi-disciplinary and multi-theoretical nature of IE, the continuance of debate and theorising is appropriate and healthy. Furthermore, the process of thematically mapping, organising and assessing the intellectual territory of the domain identifies rich theoretical potential rather than theoretical paucity” (Jones et al. 2011, p. 17).

Figure 2.1 – Different perspectives but common findings among the previous IE literature review



Source: author's personal elaboration

In sum, the existing literature, while incorporating some interesting empirical findings, does not generally provide the kind of theoretically based conclusions, conceptual models and constructs, upon which additional and cumulative research can be based (Rialp et al. 2005a). The following paragraphs will focus on the different typologies of IEOs that are emerging. Finally, in order to improve the knowledge and fill some gaps in IE, the next paragraphs will present the focus, the methodology and the main results of our current literature review.

2.4. International Entrepreneurial Organisations

During the last decades there have been requests for an extension of the IE field to cover other international enterprise activities (Wright and Ricks 1994; Young et al. 2003; Jones and Coviello 2005; Mathews and Zander 2007; Zucchella and Scabini 2007). To a large extent these stemmed from the Entrepreneurship literature, which asserted that entrepreneurial behaviour may concern all firms irrespectively of age, size or industry (Dimitratos and Jones 2005). As a result of this debate, McDougall and Oviatt (2000, p. 903) argued that "IE is a combination of innovative, proactive and risk-seeking behaviour that crosses national borders and is intended to create

value in organisations". In essence, this definition implicitly recognises that the emphasis put on the study of born globals has been rather one-sided and unrepresentative of other IE typologies. Moreover, with this integrative definition, IE has an established foundation point that enables exploration of three specific organisational aspects of internationalised firms: innovation, proactiveness towards competitors and risk-attitude in the international marketplace. McDougall and Oviatt's (2000) definition is not specific to small new firms at early stages in their internationalisation process, but rather it enables research emphasis to be placed on the international activities of all companies regardless of age, size or industrial sector. Thus, this definition expands IE research beyond its current fascination with the born globals phenomenon (Dimitratos and Jones 2005). Clearly, firms other than born globals can and do exhibit international entrepreneurial behaviour. Thus, the enlarging field of research in IE led some researchers to adopt, for the first time, the label "*International Entrepreneurial Organisations*" (Zucchella and Scabini 2007; Zucchella 2010a). Although IE scholars have mainly focused on two typologies of firms (namely, born globals and MNEs subsidiaries), other entities which have received less attention might also be considered relevant expressions of the phenomenon. In this regard, Zucchella and Scabini (2007) recognise the emergence of different archetypes of International Entrepreneurial Organisations (IEOs hereafter) and recently, Zucchella (2010a) has proposed a wider classification and has tried to map the different typologies of IEOs. As the Authors stated, important evidence of the existence of differentiated international entrepreneurial entities is given by some companies, especially small and medium in size that show typical entrepreneurial characteristics, but they are neither born globals because they do not develop international activities from their foundation, nor subsidiaries because they are not linked to any MNEs.

The following section presents the different typologies of IEOs identified in literature and it attempts to describe them applying the framework suggested by Zahra and George (2002). Therefore, the aim of the following sections is twofold: first, they would improve the knowledge about the different IEOs. In fact, past studies and literature reviews have called for the enlargement of the field, have recognised the potential of the IE in distinguishing activities of all private and public organisations transcending national borders, regardless of age, size or industrial sector, but have

never tried to classify them. Secondly, next sections try to describe IEOs by adapting Zahra and George's (2002) model, which constitutes one of the most acknowledged and renowned IE frameworks. However, for some IEOs, only a few IE dimensions mentioned by the Authors in their model have been identified because of the paucity of studies related to the different typologies of IEOs: in fact, most of them have emerged very recently.

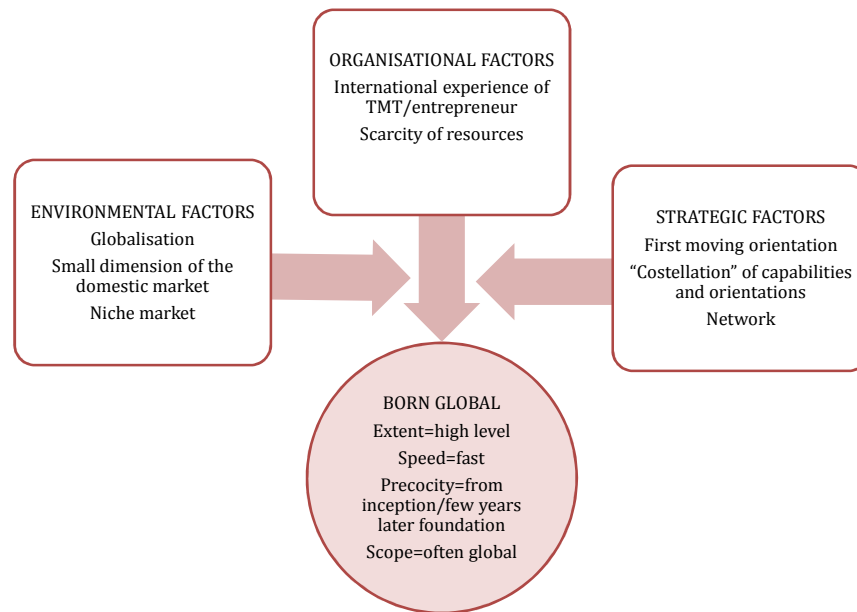
2.4.1. International Entrepreneurial Organisations' classification

Despite IE being a young discipline, distinct streams have already emerged in the empirical observation. At the same time, conceptualisation and theoretical models have been proposed in order to accommodate in a general interpretative framework the "heteromorphic" (Zucchella 2010a) and the "embryonic and fragmented" (Cumming et al. 2009) nature of IE. In doing this, the attention is progressively shifting from the act of constituting a born global company or entering into a foreign market, to the processes of IE, in its key dimensions of time and behaviour (Jones and Coviello 2005), from individual traits to organisational features, from initial resources to opportunities and capabilities to explore and exploit them, from transactions to relationships, from individual to organisational learning. An important preliminary remark is that our contribution focuses on IE at the organisational/firm level.

Born globals. The first stream emphasises **born globals**, that is, start ups that are international from inception. This stream is probably at the origin of the fast development of IE, thanks to rich empirical material (a growing number of infant firms going international or global) and deep changes in global markets structure and enabling technologies. The two most important literature reviews on this issue have been provided by Rialp et al. (2005a) and by Aspelund et al. (2007). The debate about these kinds of organisations is still lively and deals with their definition, the conceptual and theoretical perspectives used in their analysis. Extant empirical research and theoretical approaches have identified a number of antecedents and drivers of born global internationalisation, that are essentially grouped into entrepreneur and firm-specific (endogenous) and environmental-industry specific (exogenous) factors (Zucchella 2005; Oviatt and McDougall 2005a; Hagen and Zucchella 2011). This section reports only little information about this typology of

IEOs. For more detailed information, please, see Chapter 3. Figure 2.2 presents the IE dimensions of this typology of IEOs.

Figure 2.2 – IE dimensions in born globals

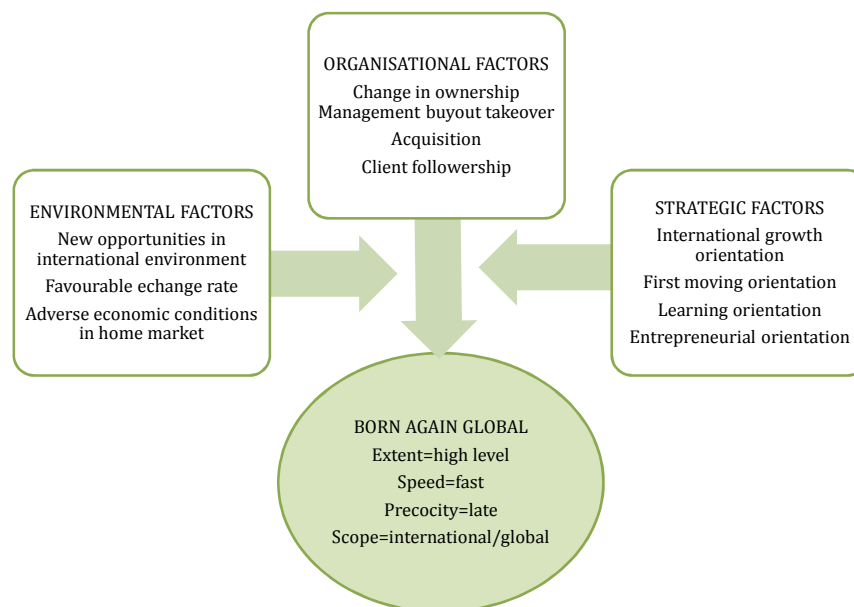


Source: author’s personal adaptation from Zahra and George’s (2002) framework

Born-again globals. Another stream is represented by **born-again global firms** (Bell et al. 2001; Bell et al. 2004). Born-again globals are firms that have been well established in their domestic markets, with apparently no prior motivation to internationalise, but which have suddenly embraced rapid and dedicated internationalisation. According to Bell et al. (2001; 2004), there is evidence in the literature that firm internationalisation may be precipitated by particular “episodes” that can lead to rapid international expansion or de-internationalisation (Oesterle 1997; Welch and Welch 2009). Specific events, such as new opportunities in international markets, favourable exchange rates or adverse economic conditions in the domestic market may encourage firms to internationalise rapidly. However, to date only a few studies have tried to better understand and explain the characteristics of these emerging typologies of IEOs. For example, recently Tuppuru et al. (2008) and Jantunen et al. (2008) compare born-again global firms with two other categories of internationalising companies (i.e. born globals and traditional exporters, which are companies that follow a gradual/“ring in the water” internationalisation process).

Jantunen et al. (2008) suggested a model where the international growth strategy of the three categories of identified companies moderates the relationship between strategic orientations (i.e. entrepreneurial orientation, international growth orientation and learning orientation) and international performance. Their empirical results do not reveal considerable differences between born globals and born-again globals in terms of strategic orientations and performance. Along the same line, Tuppura et al. (2008) proposed a model able to explain the “first mover orientation” (FMO hereafter) and the “international growth orientation” (IGO hereafter) in three categories of internationalising firms (e.g. born globals, born again globals and traditional firms). Their empirical findings suggest that high level of FMO and IGO are positively related with the likelihood of born global or born-again global internationalisation path type. These studies confirm that other typologies of IEOs over born globals may be entrepreneurial and reach high performance in global markets and stress the need to further investigate the latter group of firms. Figure 2.3 presents the IE dimensions of this typology of IEOs.

Figure 2.3 – IE dimensions in born-again globals



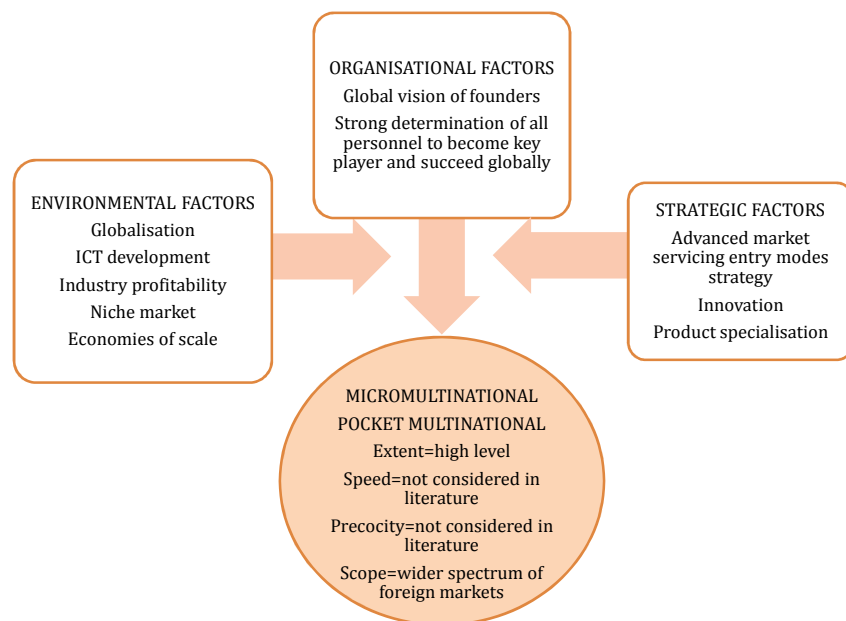
Source: author’s personal adaptation from Zahra and George’s (2002) framework

Micromultinationals. In the last decade, many researchers (Dimitratos et al. 2003; Ibeh et al. 2004; Colli 2001) have used the term **micromultinationals** (mMNEs

hereafter) to characterise a genre of globally assertive SMEs different from the born globals. As scholars stated, mMNEs are a separate body of internationalised SMEs that control and manage value-added activities through constellation and investment modes in more than one country using such advanced market servicing modes as international licensing agreements, international franchising, international joint ventures or foreign subsidiaries. “Envisage globally, strategise locally” appears to be the philosophy that the investigated successful mMNEs espouse and follow (Dimitratos et al. 2003). Unlike their previously identified counterparts (namely, born globals and born-again globals) mMNEs are not defined by their speed or pace of internationalisation, but by their tendency to adopt more advanced market servicing (or export plus) modes in controlling and managing value-adding activities across international markets. Dimitratos et al. (2003, p. 167) distinguish between seven different categories of mMNE according to their internationalisation objectives (i.e. network seekers; market hunters; flexibility pursuers; resource trackers; global market chasers; learning seekers; competition players). In a follow-up study, Ibeh et al. (2004) enhanced the knowledge on these particular groups of firms and specifically explore patterns of mMNEs’ behaviour, with particular regard to sectorial distribution, choice of foreign market servicing modes and foreign market selection/targeting decisions. Their study states that a wide percentage (80 per cent) of the identified Scottish mMNEs operated in a vast array of traditional or low technology sectors. In term of entry modes, FDI approaches are preferred to a greater extent than the international contractual modes of licensing, franchising and joint ventures/strategic alliances. Then, mMNEs expand in a wider spectrum of foreign markets and psychic distance is not important: USA is the leading market for all market entry modes. These results confirm that, despite their size/resource limitations, mMNEs select the most appropriate modes of servicing their chosen foreign markets. In spring 2004, the *Wall Street Journal* described mMNEs as companies that from their inception are based in the US but maintain a less-costly skilled work force abroad (Grimes 2004). Within the Italian context, some researchers reported the examples of “**pocket-MNEs**”, that is, SMEs that are stronger on foreign markets, mainly through foreign direct investment (Mutinelli and Piscitello 1998; Lamieri and Lanza 2004). The birth of these “pocket-MNEs” is a consequence of a rational strategy aimed at the minimization of administrative and co-ordination

costs; it is also the result of the growth path of growth followed by other Italian enterprises, typically pursued by the acquisition of existing smaller companies which maintained their independence and commitment to specialised production (Colli 2008). Usually these companies control a large number of internationally scattered, independent productive units (frequently run through joint ventures with local entrepreneurs). According to Colli (2008), the growth and the dynamism experienced by some Italian companies located in district area (mainly in mechanic and machinery sectors) during the last fifteen years have stimulated their organisational evolution towards a non-negligible degree of vertical integration. In fact, for instance, “... following the requirements of their most important customer, Alfa Romeo and Brembo began producing disk brakes in 1965 and progressively specialised in this activity to become a world leader in braking systems now selling abroad almost two thirds of their sales” (Colli 2008, p. 18). Additionally, past studies unveiled the complex strategy towards internationalisation of these SMEs, where innovation has a key role, but equally important are the flexibility and specialisation in production, since these elements will guide the choices to invest and produce abroad (Lamieri and Lanza 2006). Figure 2.4 summarises the IE dimensions of this typology of IEOs.

Figure 2.4 – IE dimensions in mMNEs

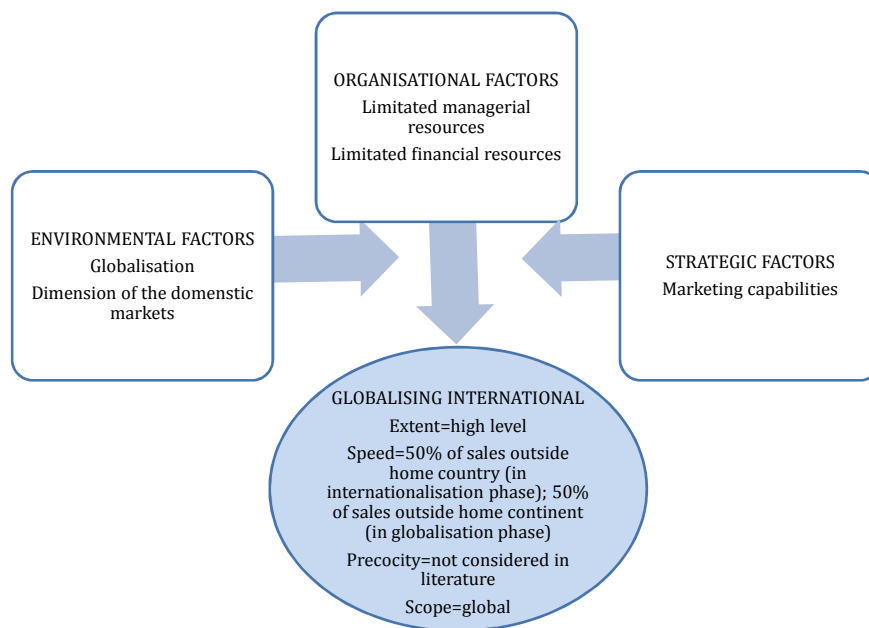


Source: author’s personal adaptation from Zahra and George’s (2002) framework

Globalising international. Another stream focuses on the “**globalising internationals**” (Luostarinen and Gabrielsson 2004, p. 386; Luostarinen and Gabrielsson 2002 pp. 5–6; Gabrielsson and Gabrielsson 2004, p. 662). “Globalising internationals are those companies which were established before 1985 and which had started to internationalise after the domestic period and then started to globalise their operations outside their domestic continent after 1985. These companies can be considered global when over fifty per cent of their sales is derived outside their home continent from many foreign countries” (Gabrielsson and Gabrielsson 2003, p. 124). Although globalising internationals account for only a rather small proportion of the ICT companies, their importance for the SMOPEC (i.e. small and open economy, like Finland or Sweden, Denmark, Norway and Austria) from which they often originate is huge. The other IEOs cited before (mainly born globals) deviate from the globalising internationals, which have first internationalised their business and only then entered the globalisation stage (Luostarinen and Gabrielsson 2002, pp. 5-6). To date, little research has been done on the globalising internationals, except for a few studies which particularly focus on marketing strategies (Gabrielsson and Gabrielsson 2003; Gabrielsson 2005). For example, Gabrielsson and Gabrielsson (2004) examine the development of corporate and business level marketing strategies during the transformation of the ICT companies from international to global. The conversion of a business from international to global takes place in several stages and a distinctive strategy is applied in each stage. In particular, the Authors state that globalising internationals select one or a few from a large number of unrelated international businesses for globalisation. As the globalisation matures, they often seek further growth through related diversification. These companies develop from a diversified marketing offering in the international stage to a focused marketing offering when starting globalisation and then develop a broader marketing offering (in terms of product assortment and channel coverage) towards the global stage. Finally, they will evolve within the strategic business unit from utilising adaptive marketing product strategies in the international stage towards highly standardised strategies as they globalise. Also the planning of the advertising campaign is different between international and global phases (Gabrielsson et al. 2008b). In fact, during internationalisation often within the home continent, companies increasingly adapt advertising campaigns to different countries, whereas

globalisation to other continents calls for increased standardisation across countries. In sum, globalising internationals reach high international performance in spite of the fact that they are non speed or precocious in their global expansion like born globals and they do not use high commitment internationalisation modes (like mMNEs). Figure 2.5 summarises the IE dimensions of this typology of IEOs.

Figure 2.5 – IE dimensions in globalising international



Source: author's personal adaptation from Zahra and George's (2002) framework

Global entrepreneurial SMEs. Since the 1980s, there has been a proliferation of “little heroes” in global markets going by various labels. This section uses the the generic term “**global entrepreneurial SMEs**”. These companies are micro/small in size, are mainly in manufacturing industries, but they are different from born globals because they are neither new or speed/precocious in their internationalisation process. However, these companies obtain high performance in global, psychically and geographically distant markets. This paragraph summarises the main examples of global entrepreneurial SMEs identified in literature over the last two decades.

For example, Dimitratos et al. (2010) found that older firms in more mature low tech industries could be characterised as entrepreneurial with regard to their global activities. Specifically, Authors demonstrated that uncertainty of the domestic environment reinforces the outcomes of entrepreneurial activities in the

international marketplace, and so, highlights the importance of domestic context in the entrepreneurship-international performance association. In the same vein, Spence et al. (2008) found entrepreneurial orientation within a sample of high-performing SMEs, relatively mature (fifteen years on average) and operating in manufacturing industries. As the Authors argued, “the variety of firms in terms of size, experience and industries increases the understanding of the phenomenon under study and its complexity” (Spence et al. 2008, p. 419). Calori (1990) argues that, forty years after the start up, some Italian companies show a strong entrepreneurial orientation. These companies are characterised by market orientation, innovation (in terms of products, processes and strategy), related diversifications such as new challenges, attracting resources, flexibility, product-market structure, strategic thinking, short term planning, perseverance, learning, strong evolving corporate culture and a constant pressure from the entrepreneur. Moen (2002) analyses the main difference among four categories of exporters on the basis of their year of foundation and export-to-sales ratio, namely “old and local”, “old and global”, “new and local”, “new and global”. The last typologies of firms are those that he calls “born globals”. His results confirm that newly established global firms (i.e. the born globals) have similar characteristics to old, global firms, while “new and local” firms are similar to “old and local firms”. The destiny of the firm seems to be determined at the foundation juncture (the firm is likely to remain either a high-involvement exporter or a low-scale exporter). The decision maker’s global orientation and the market conditions are important factors, explaining why some firms are more global oriented than others.

A number of well-known Italian researchers have highlighted the global orientation of small entrepreneurial firms (Ferrucci and Varaldo 1997; Cafferata and Genco 1997; Depperu 1993; Caroli and Lipparini 2002). Many contributions have been devoted to the emerging case of niche SMEs that, although small in size, appeared to be leaders in their market segment on a global scale (Bonaccorsi 1992; Zucchella and Maccarini 1999; Maccarini et al. 2003). In other words, today many SMEs’ internationalisation process involves a growth in different global markets (not necessarily starting from the nearest markets, in terms both of geographic and psychic distance) and a simultaneous global orientation. In the same vein, Varaldo et al. (2009) reported thirty examples of Italian SMEs that are leaders in global markets. Far from lagging

behind in the globalisation process, these SMEs are the vanguard of globalisation, in the course of the past decades they have grown and strengthened their competitiveness at a dramatic rate. Their organisational and managerial competences are the most important factors able to explain their leadership on global markets. Many of these companies operate in the hinterland of the value chain, supplying machinery, components or processes that are no longer discernable in the final product or service. Authors stated that all these SMEs are “**buried treasure**” and they remain a virtually unexplored source of knowledge.

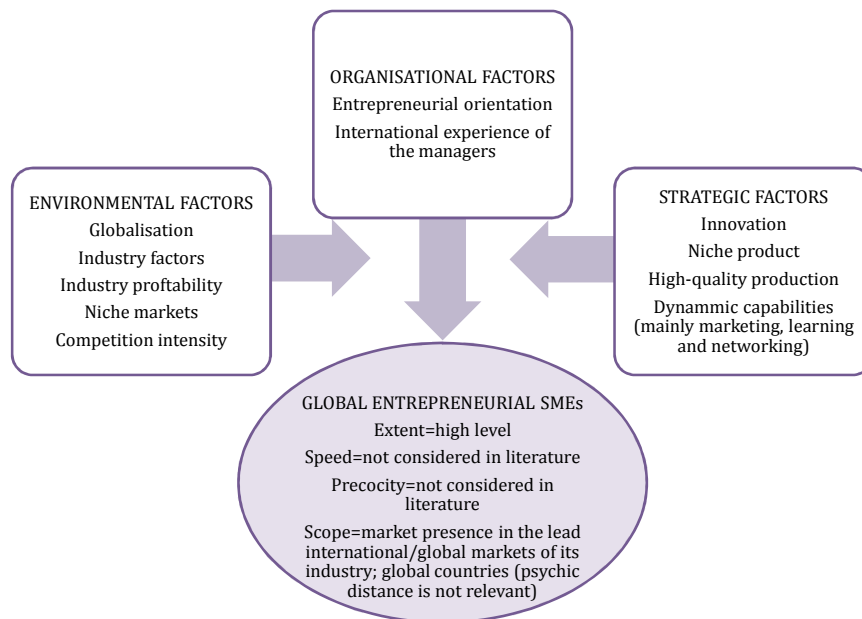
In his acknowledged works, Simon (1992; 2009) reported many examples of medium size, unknown companies that have become world market leaders in their respective industries. Author labelled these companies as “**hidden champions**”. Simon has been studying these firms for over twenty years. He explored the dramatic impact of globalisation on these companies and their outstanding global success. Going deep inside more than a thousand hidden champions around the world, the Author revealed the common patterns, behaviours and approaches that make these companies successful and able to sustain world market leadership for a generation, despite intense competition, financial pressures and constantly evolving market dynamics. Simon stated that these companies outperform their counterparts thanks to their business operations, customer service and marketing, innovation, human resources management, organisational design, leadership and proactive strategy. As the Author posits, “the hidden champions of the twenty-first century dominate their markets worldwide, have noticeably grown in size, show a remarkable capability to survive, often specialise in low-profile products, have become truly global competitors and are successful but are not miracle companies” (Simon 2009, p. 27).

Recently, Dimitratos et al. (2010) have defined “**global smaller firms**”, a category of entrepreneurial SMEs different from born global because of their energetic international market selection and presence in the lead industry countries dimension (which pertains to global SMEs), along with that of speed to international markets (which pertains to born global). The selection and the active presence in lead markets are irrelevant to the geographic and psychic distance of those countries. Thus, the criterion of the geographic presence is important, because there are firms which are “non-born globals” but are active on global markets. As the Authors stated, “it is evident that not all global smaller firms are INVs and vice versa. Conversely, firms

that both have gone abroad from inception and have actively achieved a presence in lead industry markets are truly born global firms” (Dimitratos et al. 2010, p. 604). Another category of global and entrepreneurial SMEs has been studied by Nkongolo-Bakenda (2003; 2004) and Nkongolo-Bakenda et al. (2006; 2010): the “**globally oriented SMEs**” (GOSMEs hereafter). A GOSME is defined as an independent (not a subsidiary) company with fewer than five hundred employees, foreign sales at least 30 per cent of total sales and market operations in at least two countries located in two different primary highly competitive regional markets such as North America, Europe and Asia (Nkongolo-Bakenda, p. 24). GOSMEs do not behave like domestically oriented or other categories of international SMEs competing in only one primary market in their home countries and/or those neighbouring it nor do they behave like small versions of large MNEs. Rather, they have determinants and strategies different from both. Authors empirically demonstrated that international experience and innovation are significant determinants not only for engagement in international activities, but also for obtaining better performances in global markets.

In sum, the above-mentioned examples demonstrated that today many SMEs are leaders in global markets despite their micro-small dimension. In turbulent economic times, these companies represent an antidote to the short-sighted and excessive practices that have brought many corporate giants crashing down, especially during the economic crisis of 2008-2010 (Varaldo et al. 2009). Moreover, many of them have global market share of over fifty per cent and some even hold shares in their relevant markets of seventy-ninety per cent, while only very few large MNEs achieve a comparable market position (Simon 2009). According to Simon (2009, p. 379), “Hidden champions teach us that instead of managing only one great thing brilliantly, good management means doing many small things better than the competitors”. Figure 2.6 summarises the IE dimensions of this typology of IEOs.

Figure 2.6 – IE dimensions in global entrepreneurial SMEs



Source: author's personal adaptation from Zahra and George's (2002) framework

Emerging Market Multinationals. Since the 1990s, the global competitive landscape is becoming increasingly populated by MNEs originating in countries that are not among the most advanced in the world. These “new” MNEs come from upper-middle-income economies such as Spain, Portugal, South Korea and Taiwan; emerging economies such as Brazil, Chile, Mexico, China, India and Turkey; developing countries such as Egypt, Indonesia, and Thailand; oil-rich countries such as the United Arab Emirates, Nigeria and Venezuela. UNCTAD (2006) reported about this phenomenon in different industries, mainly in automobiles, electronics, aerospace products and information service sectors. These “new” MNEs operate internationally using multiple entry modes, ranging from alliances and joint ventures to wholly owned subsidiaries (Guillén and García-Canal 2009). In many cases, global alliances (García-Canal et al. 2002) and acquisitions (Rui and Yip 2008) are used by these firms to simultaneously overcome the liability of foreignness in the country of the partner/target and to gain access to their competitive advantages with the aim of upgrading their own resources and capabilities.

The literature has referred to them with various labels, including “third world multinationals” (Wells 1983), “latecomer firms” (Mathews 2002), “unconventional multinationals” (Li 2003; 2007), “emerging multinationals” (Goldstein 2007; Luo and

Tung 2007) “second wave” of MNEs (Bonaglia et al. 2007) and “new MNEs” (Guillén and García-Canal 2009). While they may not possess the most sophisticated technological or marketing skills in their respective industries, they have expanded around the world in innovative ways. They have become key actors in foreign direct investment and cross-border acquisitions (UNCTAD 2006). For brevity sake, the label of “**emerging market multinational**” (EMMNEs hereafter) will be used throughout this section.

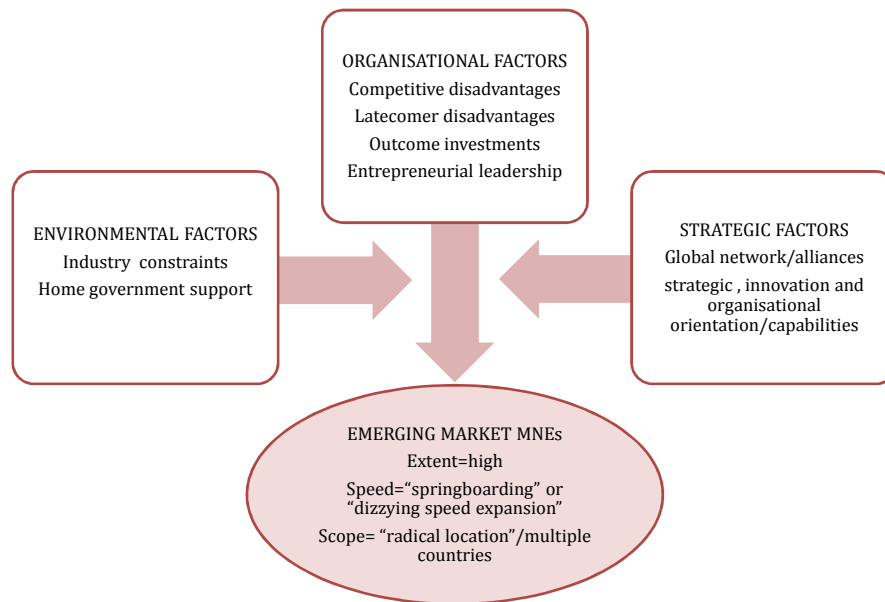
EMMNEs are characterised by very early orientation to foreign markets and accelerated growth abroad, sometimes defined as “aggressive”/“springboard” international strategy by Luo and Tung (2007) or “dizzying speed international expansion” by Guillén and García-Canal (2009, p. 25).

According to Guillén and García-Canal (2009) and Cuervo-Cazurra (2010) the main feature of these new MNEs has to do with the accelerated pace of internationalisation. In this way, EMMNEs have attempted to close the gap between their market reach and the global presence of the MNEs from developed countries (Mathews 2006). Different factors could explain their accelerated international expansion. Firstly, EMMNEs have emerged from countries with weak institutional environments, property rights regimes, legal systems and so on. EMMNEs have flourished at a time of market globalisation in which, despite local differences that still remain, global reach and global scale are crucial (Guillén and García-Canal 2009). Secondly, motivations, intangible and firm-specific assets explain the rapid pace at which EMMNEs have expanded their global activities (Goldstein 2007; Mathews 2006). Despite lacking the resource endowment of MNEs from developed countries, the EMMNEs usually have an advantage over them, as they tend to possess better political capabilities. As the new MNEs are more used to dealing with discretionary and/or unstable governments in their home country, they are better prepared than the traditional MNEs to succeed in foreign countries characterised by a weak institutional environment (Aulakh 2007; Li 2007; Cuervo-Cazurra and Genc 2008). EMMNEs enjoy more freedom to implement organisational innovations to adapt to the requirements of globalisation because they do not face the constraints typical of established MNEs. For instance, Mathews (2006) captures the special features of EMMNEs in terms of the way that they use and leverage various kinds of strategic and organisational innovations in order to establish a presence in industrial sectors

already heavily populated with world-class competitors. In doing so, such firms benefit from a narrow window of opportunities available to them as latecomers (since their advantages in terms of low costs or local knowledge depreciate rapidly). Bonaglia et al. (2007) document how EMMNEs pursued global growth through accelerated internationalisation combined with strategic and organisational innovation. Taking into account the high growth rates of emerging countries and their peculiar institutional environments, political capabilities have been especially valuable for the new MNEs. In fact, Pla-Barber and Escribá-Esteve (2006) found that the acceleration of the internationalisation process is linked to a proactive attitude of the managers, a strategy based on marketing differentiation and a substantial influence of the network of relationships with customers and/or competitors.

Luo and Tung (2007) reported that this “aggressive international growth” is aimed at acquiring strategic resources and reducing institutional and market constraints at home. As the Authors stated, “springboarding steps are deliberately designed as a grand plan to facilitate firm growth and as a long-range strategy to establish their competitive positions more solidly in the global marketplace” (Luo and Tung 2007, p. 484). Their contribution considers the case of a number of EMMNEs paradigmatic of fast global growth supported by state ownership and state intervention and unveils the question about whether the governance of IEOs should necessarily be private. Moreover, it opens the question of enlarging the IEOs domain to Non Governmental Organisations evidencing proactive, innovative and risk taking behaviour in expanding globally (Meyer 2005). In sum, EMMNEs are the result of both imitation of established MNEs from the rich countries -which they have tried to emulate both strategically and organizationally- and innovation in response to the peculiar characteristics of emerging and developing countries. Figure 2.7 summarises the IE dimensions of this typology of IEOs.

Figure 2.7 - IE dimensions in EMMNEs



Source: author's personal adaptation from Zahra and George's (2002) framework

Market-driven Organisations. In the last decades, some scholars (Day 1999; Brondoni 2000, 2008; Lambin and Brondoni 2001; Corniani 2002) reported about "**Market-driven Organisations**" (MDOs hereafter). Given their global posture on global markets and their outside-in orientation, MDOs may be considered as a convincing example of International Entrepreneurial Organisations, or better, "Global Entrepreneurial Organisations" (Majocchi and Zucchella 2008). Despite MDOs being similar to the global entrepreneurial SMEs because of the global entrepreneurial orientation affecting their expansion and success in global and distant markets, MDOs are mainly large in size. The literature reports few examples of MDOs among SMEs (Weerawardena and O'Cass 2004). In "today's highly competitive global markets, companies compete in conditions of extreme economic, technological and socio-political instability" (Brondoni 2010, p. 1), organisations of any size, age and industries should learn from MDOs in order to obtain a global success and pursue high revenues from global markets.

The entrepreneurial posture of these companies has been explained through **Market-Driven Management theory** (MDM hereafter), which nowadays may be considered one of the most innovative and convincing approaches to the understanding of successful companies behaviour in global markets (Day 1994; Brondoni 2007). MDM,

which emerged in the late 1980s with the publication of acknowledged papers (Shapiro 1988; Webster 1988, 1992; Deshpandé and Webster 1989; Kohli and Jaworsky 1990), poses the question of the relationship between markets and behaviour whose goal is competitive advantage. The market-driven approach (Day 1994, 1998; Jaworski et al. 2000; Narver et al. 2004), at least in its early conceptualisation, is based on the silent assumption that the market is somehow a given (Vallini and Simoni 2009). The market needs to be observed and understood and differences in competitiveness are related to differentials in the ability to attract, satisfy and retain customers. In fact, the MDO is one that “reveals a superior ability to understand, attract and maintain customers with a high economic profile” (Day 1999). In other words, firms compete within an existing market structure and the winners are MDOs that are able to organise and exploit resources and capabilities (Hult and Ketchen 2001) so as to create and maintain in time a supply of products/services that offer more value for the customer “faster and better than competitors” (Brondoni 2008, p. 7). As Brondoni (2002, p. 1) correctly argues “the globalisation of markets highlights a deep re-thinking of long-term development philosophy by leading large corporations, that tend to reconcile a quantitative approach to growth (supply-driven management) with the goal of satisfying demand (market-driven management)”. It is not only the continuous change in consumers’ preferences that forces firms to adopt a market-driven approach. It is the overall competitive arena that is constantly being modified, which obliges firms to continually scan the market in order to adapt their strategies to new changing conditions (Brondoni and Musso 2010; Negri Clementi 2007)

MDOs are leaders in global markets because of their “outside-in perspective”, “anticipatory approach to customer value” and “focus on time to market and demand bubbles” (Corniani 2002; Corniani 2005). Specifically, the outside-in perspective of these organisations fits very well with the outward orientation towards opportunities of entrepreneurship (Vallini and Simoni 2009); the anticipatory approach to customer value finds a valid correspondence in the proactive attitude of entrepreneurial firms; the focus on time-to market (Lambin and Brondoni 2001) and “demand bubbles”, that is, “a temporary groups of purchasers, held together by a shared interest in the specific features of an offering from a certain company”

(Corniani 2002, p. 3) are paralleled by the focus of rapidity and opportunities' seizing of the entrepreneurial organisations.

The emergence of MDOs confirms that an entrepreneurial orientation could be recognised in companies with different size and age, not necessarily small and/or young, as happened when Entrepreneurship studies started to develop. Due to the emerging features of world markets in the direction of growing interdependence and (partial) integration, MDOs better express the orientation that every company has to adopt in order to reach a global success in foreign markets. Day (1999, 2000) defines three conditions that are necessary for a firm in order to be a MDO that outperforms its competitors. These conditions are: externally oriented culture; distinctive capabilities in market sensing, market relating and anticipatory strategic thinking; finally, an organisational structure (labelled as "configuration") that enables the entire organisation to continually anticipate and respond to changing customer requirements and market conditions. Specifically:

- externally oriented culture with dominant beliefs, values and behaviours emphasising superior customer value and the continual quest for new sources of advantage;
- distinctive capabilities in market sensing, market relating and anticipatory strategic thinking. This means MDOs are better educated about their markets and better able to form close relationships with valued customers. The clarity of their strategic thinking helps them devise winning strategies that anticipate rather than react to market threats and opportunities;
- organisational structure that enables the entire organisation to continually anticipate and respond to changing customer requirements and market conditions. This includes all the other capabilities for delivering customer value, from product design to order fulfilment, plus an adaptive organisation design and all the supporting systems, controls, measures and human resource policies. All aspects of the configuration are aligned with a superior value proposition.

Supporting these three elements is a shared knowledge base in which the organisation collects and disseminates its market insights. Thus, it could be argued

that MDOs are more adept at learning and more systematic, thoughtful and anticipatory in storing, interpreting and using market information. Moreover, MDOs are entrepreneurial because they possess superior capabilities in anticipating and exploiting trends and market changes as well as competitors' moves.

Additionally, given their strong global orientation, MDOs could be defined as Global Entrepreneurial Organisations (Majocchi and Zucchella 2008). In fact, firms showing a strong entrepreneurial orientation should be aware of competing in a global space characterised by multiple opportunities of selling, sourcing and collaborating, where proactiveness and innovativeness refer to the capacity to create value quicker and better than competitors, through novel and effective combinations involving the global value chain. According to Brondoni (2002), in global markets, the strategic leverage of the firms moves from goods to knowledge. Information systems and inter-firm collaborations become fundamental ways to access knowledge and to exploit its potential.

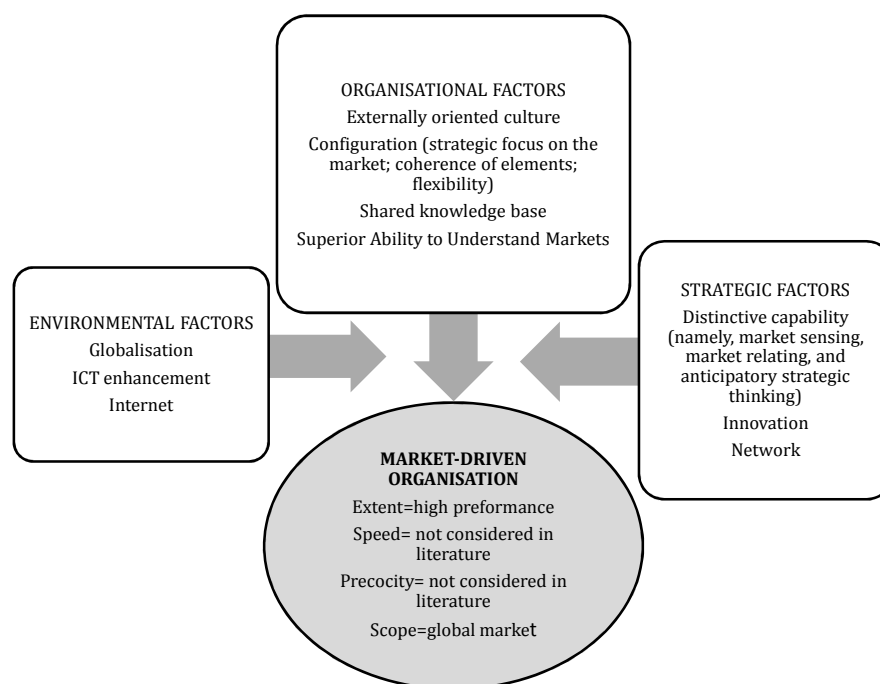
According to Day (1994), considerable progress has been made in identifying MDOs' characteristics. Recently, many examples of MDOs are reported and analysed in different industries and countries. In Italy, for example, firms like Tod's, Prada or Bulgari in the luxury sector, Brembo in the mechanical industry or Geox in the traditional mass market sector for shoes identify themselves as global innovators and are now world leaders in their competitive segments. These companies could be considered MDOs because they show a global orientation, they are aware of competing in a global space characterised by multiple opportunities of selling, sourcing and collaborating, where proactiveness and innovativeness refer to the capacity to create value quicker and better than competitors, through novel and effective combinations involving the global value chain. In Britain, Day (2002) found that First Direct (the world's leading telephone-only bank) shows the main characteristics of a MDO. It demonstrated a superior ability to understand, attract and keep valuable customers. Mosca (2008) identified the main elements of MDOs with specific reference to global large companies in the fashion and luxury industries. According to the Author, in these sectors, MDOs show the following features: a growing attention to increasing the value of the main intangible resource represented by the brand equity; the reinforcement of the direct relationships with final consumers in order to enhance their satisfaction, their identification in the values

expressed by the reference brand, to increase their loyalty even in a context of distinct instability and unpredictability of the global demand; the improvement of the information flow management system from the market towards the company, through an internal information system combined with the sales points and from the company to the market final consumer through personalised interactive and affordable communication.

Recently, many studies have addressed the capabilities needed to become market-driven and the performance advantages accruing to firms possessing these capabilities (Tuominen et al. 2004; Vorhies and Harker 2000; Sciarelli 2008). For instance, Vorhies and Harker (2000) determined the set of capabilities that support MDOs. In particular, Authors stated that MDOs developed higher levels of six vital marketing capabilities (in the area of market research, pricing, product development, channels, promotion and market management). Weerawardena and O’Cass (2004) reported about MDOs in Australia. They examined the role of market-focused learning capability and the marketing capability in innovation-based competitive strategy on sustainable competitive advantage. The Authors confirmed that market-focused learning capability (i.e., the capacity of the firm to scan the marketplace for new opportunities to satisfy customers) and marketing capability (i.e., the integrative process designed to apply the collective knowledge, skills and resources of the firm to the market-related needs of the business) enable the sustained competitive advantage of the MDOs. Their study demonstrated that also SMEs could be market-driven oriented. Organisations that possess the ability to learn rapidly about their markets and to act on that information are best positioned to achieve competitive advantages (Brondoni 2009; Day 1994).

In sum, it could be argued that currently MDM constitutes a broad paradigm that explains the success of many firms around the world and it is the most up-to-date framework to analyse and explain the behaviour of entrepreneurial global organisations. Figure 2.8 summarises the IE dimensions of this typology of IEOs, or better, Global Entrepreneurial Organisations.

Figure 2.8 – IE dimensions in MDOs

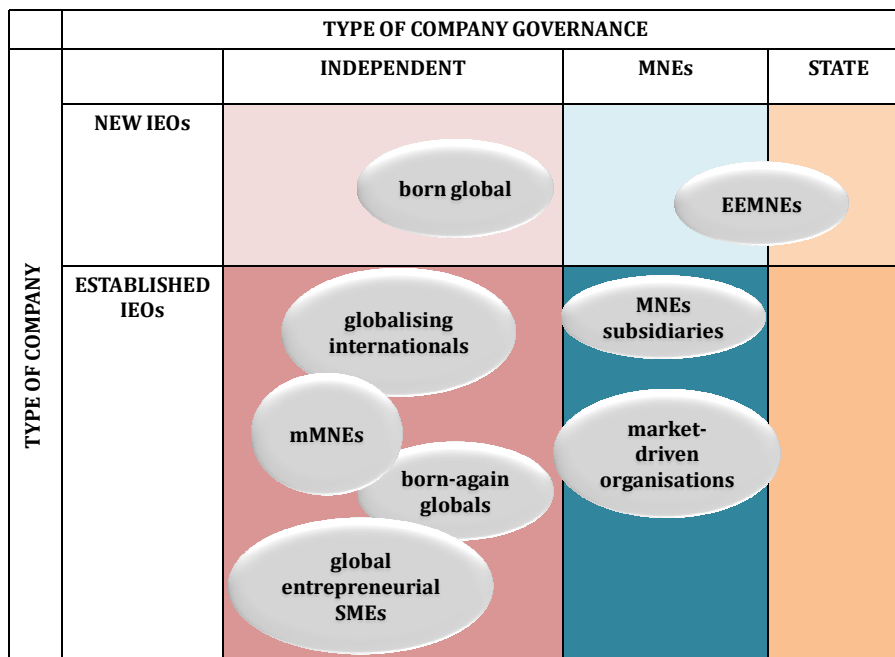


Source: author's personal adaptation from Zahra and George's (2002) framework

2.4.2. International Entrepreneurial Organisations: towards an archetype map

Previous paragraphs have delineated the findings of a wide range of empirical studies identifying examples of IEOs. Although the numerous IEOs have been presented in the previous sections, much work remains: in fact, a general framework illustrating and comparing their main features is lacking. This study addresses this literature gap. Starting from the "archetype-map" proposed by Zucchella and Scabini (2007) and Zucchella (2010a), this study contributes to their works by adding other IEOs. The Figure 2.9 below shows the many typologies of IEOs on the basis of their age and governance. In sum, the domain of IE is represented by five typologies of independent and small in size global SMEs (respectively, born globals; born-again globals; mMNEs; global entrepreneurial SMEs and globalising internationals) and three typologies of not independent, global and large companies (respectively, MDOs, MNEs subsidiaries and EMMNEs).

Figure 2.9 - Map of the identified IEOs



Source: adapted and updated from Zucchella and Scabini (2007) and Zucchella (2010a)

Table 2.2 (see, please, at the Appendix of this thesis) summarises the different typologies of IEOs identified in literature and presents the main characteristics that the author of this PhD dissertation has tried to recognise from the limited studies addressed to them. In this way, this work contributes to IE literature by explaining in greater detail every one of these typologies. Finally, on the one hand, our review confirms the existence of many other IEOs in addition to born globals; on the other hand, these findings stress the need to further investigate these “new” IEOs, as the knowledge of them is limited. In fact, entrepreneurship is a management mode whatever the size or the phase in the life cycle of a company (Mintzberg 1973). As Dimitratos and Jones (2005, p. 121) argued, “IE has the potential to distinguish activities of all private and public organisations transcending national borders, regardless of age, size or industrial sector”. The ability to coordinate and to integrate internal and external resources, to reconfigure the firm’s asset structure in terms of product portfolio and/or internal processes and personal or organisational experience, together with personal and organisational networking seem to be the most important resources and capabilities able to define and identify IEOs.

2.4.3. International Entrepreneurial Organisations: mapping their global expansion

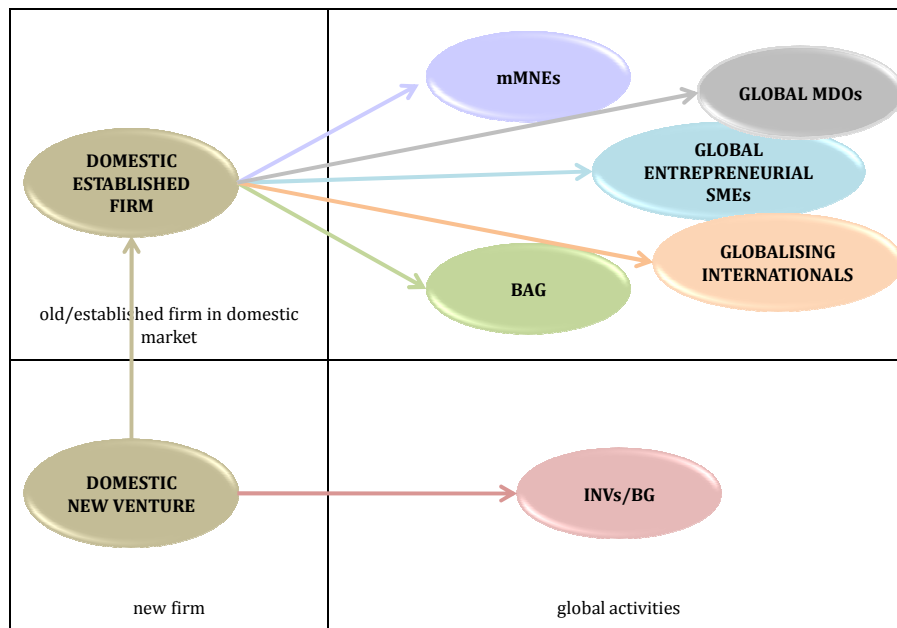
Internationalisation can be explained as “the process of increasing involvement in international operations” (Welch and Luostarinen 1988, p. 36). Traditional frameworks that explain firms’ internationalisation were formulated already two or three decades ago (for a more detailed analysis, please, see the previous sub-Section 1.1.2). At that time there were bigger barriers for entering foreign markets and the internationalisation was the “luxury” of the largest and strongest firms (Saarenketo et al. 2004). Hence, most of the early studies related to internationalisation have dealt with the large manufacturing firms. More recently, it has been noticed that in many cases existing internationalisation theories are not appropriate to explain the accelerated internationalisation of smaller companies (Oviatt et al. 1994; Bell et al. 2004). This paragraph provides a first attempt to map the global expansion of some IEOs.

As the Figure 2.10 reports, there are companies that choose to internationalise their activities; unlike, there are other companies that are not destined to internationalise their activities abroad or to be truly global firms. The spectrum of firms that internationalise ranges from those that internationalise at or near start-up (born globals) and those that identify entrepreneurial opportunities long after start-up (born-again globals, global entrepreneurial SMEs, globalising internationals, mMNEs and MDOs). The internationalisation is an example of entrepreneurial action (Shumpeter 1934; 1942). It may happen immediately after the foundation of a company or many years later after their upset. In some cases, companies do not demonstrate to possess an entrepreneurial orientation, deciding to operate only on domestic market.

This study contributes to IE literature by mapping firstly the different typologies of IEOs and secondly their global expansion. This is an interesting topic both for scholars and for policy makers. In fact, policy makers supporting the global expansion of companies (mainly SMEs) should differentiate programs and initiatives according to the circumstances and contexts of firms along this spectrum. Companies that internationalise after some years may also be entrepreneurial in identifying and executing opportunities. In this vein, Jones and Crick (2000) also raise doubt about the usefulness of policymakers’ broad approach to classifying SMEs in their stages of

internationalisation used in the provision of export assistance programs (non-exporters, passive and active exporters). Therefore, policymakers should adopt flexible classifications that incorporate firms engaged in international activities other than pure exporting to meet their particular requirements more effectively.

Figure 2.10 - Map of the global expansion of the different typologies of IEOs



Source: author's personal elaboration

Synthesis and conclusion

This Chapter aimed at presenting the “embryonic and fragmented” nature of the IE field (Cumming et al. 2009). As past IE literature reviews argued, this recent area of study, although rich with ideas in many dimensions, is still lacking a solid and accepted theoretical basis (Keupp and Gassman 2009; Coombs et al. 2009; Cumming et al. 2009). After presenting the different definitions and perspectives of IE, this Chapter focused on the different typologies of IEOs. Indeed, for the first time, it presents MDOs as a particular case of Global Entrepreneurial Organisations. Literature typically addresses two special cases of IEOs. The former are represented by new firms that engage in global markets immediately or near their foundations; the latter by established subsidiaries that compete entrepreneurially in the markets. However, the scope of IE has broadened since the initial work of Oviatt and McDougall (1994), which emphasised small INVs. Researchers now view IE as a more

general phenomenon, which also encompasses the entrepreneurial qualities of larger, established companies (Zahra 2005; Keupp and Gassman 2009). Thus, this Chapter introduced the underexplored topic of IEOs and we tried to present them and mapped their expansion in global markets. Many past studies have demonstrated that these companies obtain high performance in global, psychically and geographically distant markets, mainly thanks to their entrepreneurial orientation, resources and capabilities. Despite this work acknowledges the appropriate broadening of the boundaries of IE research, it is located within the small firms' domain.

Recognising that “undertaking a review of the literature provides the best evidence for informing policy and practice in any discipline and it is a key research objective for the respective academic and practitioner communities” (Tranfield et al. 2003, p. 207) and given the numerous calls for improving the knowledge in IE, the next Chapter 3 provides a literature review of one of the identified typologies of IEOs. Specifically, this PhD dissertation is related to IEOs which show a strong global entrepreneurial orientation from inception or since a few years after their foundation. In other words, literature review focuses on born globals. For brevity's sake, the most commonly used label of **born global** will be used throughout this work. As many researchers have stated, born global is a relevant topic within IE and explaining its accelerated internationalisation is an important focus of research (Hurmerinta-Peltomäki 2004; Oviatt and McDougall 2005a).

The critical literature review proposed in the following Chapter presents some strengths and weaknesses in comparison with the previous ones. It covers a wider timeframe (twenty years) and it reviews both top-tier academic Journals in Entrepreneurship, IB, International Marketing and Management, but also academic Journals related to small business management, which has been recently considered an important research perspective (Ruzzier et al. 2006; McAuley 2010). However, the choice to focus only on independent SMEs could be considered a limitation, but it depends firstly on the main research interest of the author of this PhD thesis and secondly on the fact that today the contribution of SMEs to global economic growth and development has been widely recognised by European Statistical Research Institutes (e.g. Eurostat and Istat), the OECD (Organisation for Economic Cooperation

and Development; 2002, 2005), the European Commission (2003; 2010) and also by numerous researchers from different countries (Knight 2000; Evers 2011b). Indeed, the rise of the SMEs which operated in global markets is a key trend. Smaller firms usually lack the resources, capabilities and market power of traditional MNEs. Given their relatively low base of resources, compared to their larger rivals, the complexities of international operations tend to be considerably more challenging for the SMEs. Furthermore, focusing only on independent SMEs rather than subsidiaries of larger entities allows us to preclude any influence of a parent company on international decision-making and this limitation has been introduced in past studies (Loane and Bell 2006; Rialp et al. 2005b; Mort and Weerawardena 2006; Luo et al. 2005; Bell et al. 2004; Khavul et al. 2010b). As in the case of Coviello and Jones (2004), the following Chapter 3 refers to the methodology used by the selected studies; as in Zahra and George (2002), it will analyse the organisational factors, the IE perspectives and outcomes and it will introduce new variables. As the Authors stated, their list was not exhaustive and they called for further research in this area. Finally, this topic is also relevant for company managers: given that born global succeed despite scarce resources and other organisational shortcomings, even managers of large and established organisations can learn from the success of these young firms. The earlier and faster internationalisation of born global presents an important challenge also to governmental export and promotion agencies regarding the nature of support provided and in terms of providing assistance in a timely manner (Bell et al. 2001; Zucchella et al. 2010). In other words, this PhD thesis could also assist policy makers to understand better what type of public policies can best support the emergence and success of this breed of IEOs.

CHAPTER 3 - BORN GLOBAL LITERATURE REVIEW

“Born global firms are the most extreme example of the potential significance of small and medium-sized enterprises for a nation’s export growth”
(Rennie 1993, p. 47)

Introduction

With a view to increasing knowledge within the emergent field of IE, the present Chapter critically analyses 115 studies, dealing with the born global phenomenon, published in 18 top-Journals over the last two decades. The focus is on empirical and conceptual contributions and the review is narrative in nature. This section firstly presents findings related to the born global construct, theoretical perspectives and empirical methods; then, it summarises factors influencing their internationalisation pace and performance. Accordingly, Chapter 3 firstly provides an overview of the topic (Section 3.1), the methodology used for approaching our critical review (Section 3.2) followed by the analysis of the review results (Section 3.3). Specifically, it reports a brief description of the main concerns about definitions, industries and geographic presence of born globals (sub-Section 3.3.1). Then it analyses the theoretical perspectives (sub-Section 3.3.2) and the empirical methods used in born global literature (sub-Section 3.3.3). Finally, it summarises the most important drivers explaining their internationalisation pace and performance (sub-Section 3.3.4) and lastly it identifies research gaps (Section 3.4). Starting from these gaps, the next Chapter 4 will present the research questions, the research hypotheses and the main contributions of this thesis to IE literature.

3.1. Born global company: a new global enterprise

According to several studies, SMEs are becoming global from their outset or soon after they are founded (McDougall et al. 1994; Knight and Cavusgil 1996; Moen and Servais 2002). The formation process of these new ventures capable of competing globally almost from inception seems to be largely inconsistent with previous stage/process models of international expansion, which assume that firms become

incrementally international long after they have been established domestically (Johansson and Vahlne 1977). While many SMEs still appear to follow such a slow, gradual and evolutionary path of development abroad, some newly established and highly entrepreneurial ventures are becoming international almost upon foundation. It has been argued that their emergence has dominated the early development of the IE field (Jones and Coviello 2005; Zahra 2005; Keupp and Gassman 2009). Research on born global companies started at the end of the 1980s (Hedlund and Kverneland 1985; Ganitsky 1989; McDougall 1989). Although preceded by Bonaccorsi's (1992) Italian study on firm size and export intensity that identified "committed internationalists", it was Rennie's (1993) seminal work among Australian companies that first drew research and public policy attention to this phenomenon. Rennie (1993) coined the catchy term born global, which rapidly entered the academic and business lexicon. Oviatt and McDougall (1994, p. 49) defined INV "as a business organisation that, from inception, seeks to derive significant competitive advantage from the use of resources and sale of outputs in multiple countries". In the mid-1990s, Knight and Cavusgil defined born globals as "small, (usually) technology oriented companies that operate in international markets from the earliest days of their establishment" (Knight and Cavusgil 1996, p. 11).

Not surprisingly, even though important contributions have been made to the research field, diversified and partially inconsistent results both in theoretical and methodological aspects prevail (Rialp et al. 2005a; Aspelund et al. 2007; Weerawardena et al. 2007). In particular, with an increase in publications on this topic, the diversity of the field increased as well. In order to shed more light on the state of the art of the IE field in general and the born global phenomenon in particular, Rialp et al. (2005a) and more recently Aspelund et al. (2007) have provided comprehensive literature reviews on the body of published studies regarding "early internationalising firms" and "foundation, international marketing strategy and performance of INVs", respectively. Asking for more transparency, the Authors recommend looking at selected issues in the field of IE separately and in more depth. Answering this call, the present work intends to critically review the academic literature on newly established, highly global entrepreneurial companies in order to identify the key empirical findings and propose further theoretical development to explain this emerging phenomenon. As Jones and Coviello (2005)

suggested, individual studies, which address “pieces of an emerging puzzle” that help to explain firms’ internationalisation processes, contribute to the growing body of work in the IE field of research. As Rialp et al. (2005a, p. 163) stated “there is also a need for work that more properly defines exactly what early internationalising firms are and what factors give rise to the early internationalisation phenomenon”. Thus, this Chapter contributes by reviewing two decades of research into born global, which is an important and emerging topic within the “embryonic and fragmented” field of IE (Hurmerinta-Peltomäki 2004; Oviatt and McDougall 2005a; Cumming et al. 2009).

3.2. Literature review methodology

Following a similar structure to previous IE literature reviews (Coviello and Jones 2004; Rialp et al. 2005a; Aspelund et al. 2007; Keupp and Gassman 2009; Coombs et al. 2009), our task is to create a selection criteria that allows us to set realistic parameters for conducting this search. First, we carry out our publication search over the timeframe covering the period of 1990 to 2011 (first quarter), a time span that provides a reasonable overview of academic work pertaining to the born global topic. Past literature reviews in this area used a shorter time frame (Rialp et al. 2005a; Aspelund et al. 2007). This PhD thesis choose as a starting point the early 1990s because the most relevant studies on born global appeared in that period (McDougall 1989; Rennie 1993). Second, all articles had to be in English to facilitate comparison (Rialp et al. 2005a). Third, for the sake of parsimony but following also Coviello and Jones (2004) and Keupp and Gassman (2009), this review is limited to non-invited peer-reviewed Journal articles, omitting books, book chapters and other non-refereed publications. In fact, Journal articles can be considered validated knowledge and are likely to have the highest impact on the field (Podsakoff et al. 2005). Fourth, Coviello and Jones (2004) and Zucchella and Scabini (2007) recommend the need to include IB, Entrepreneurship and Strategy Journals to capture the multidisciplinary nature of IE. Many Journals were combined to create a master list for review. This search supports their approach by reviewing the 1990 to 2011 volumes of *Entrepreneurship Theory and Practice* (ETP), *Journal of Business Venturing* (JBV) and *Small Business Economics* (SBE) which are the leading Entrepreneurship Journals (Coviello and Jones 2004; Rialp et al. 2005a; Engelen et al. 2009). Next we reviewed the *Journal of*

International Business Studies (IBS), *International Business Review* (IBR), *Journal of World Business* (JWB), *Management International Review* (MIR) and *International Small Business Journal* (ISBJ) which are considered top rated IB Journals (DuBois and Reeb 2000). For strategy, the *Academy of Management Journal* (AMJ) and *Strategic Management Journal* (SMNGMJ) were reviewed. Following the lead of Aspelund et al. (2007), we reviewed three main top-International Marketing-oriented Journals, i.e. *Journal of International Marketing* (JIMKTG), *International Marketing Review* (IMKTGR) and *European Journal of Marketing* (EJMKTG). Additionally, given the importance of the small business research (Ruzzier et al. 2006), I reviewed the *Journal of Small Business Management* (JSBM) and other Journals which are considered relevant by some academic experts in the fields, namely *European Management Journal* (EMJ), *Journal of Management Studies* (JMS) and *Journal of International Management* (JIMNGM). Finally, the author of this thesis also analysed the *Journal of International Entrepreneurship* (JIE) (launched in 2003). Both the Journals and the timeframe were consistent with literature reviews in the field of IB (Gamboa and Brouthers 2008; Piekkari et al. 2009; Welch et al. 2010), Entrepreneurship (Bruton et al. 2008) and International Marketing (Cavusgil et al. 2005). Fifth, supporting Tranfield et al. (2003, p. 213), Coviello and Jones (2004, p. 488) and Rialp et al. (2005a, p. 149) arguments of how to identify the relevant articles for a review, a list of keywords was prepared: “born global”, “global start-up”, “international new venture(s)”, “early, fast, speed, rapid, accelerated, internationalis(z)ation” and “international entrepreneurship”.

In conducting the literature search, the electronic bibliographic database Google Scholar, Emeraldinsight and other search engines were used. As Rialp et al. (2005a) contended, these tools offer a highly efficient method for conducting a search and result in the most effective way in generating relevant articles. When carrying out the keyword search, lots of potential articles emerged. A common problem in the search process was many of the articles flagged initially only referred to one of the keywords in the papers reference list or as part of the Authors’ bibliography. In this event, these papers were excluded. This resulted in a final list of 115 relevant studies which are summarised in the Appendix at the end of this thesis.

Table 3.1 - Frequency analysis of the articles by Journal source and year

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total	% of all articles in the respective Journals
JIE										5	3	3	3		2	2	5		20	17,4%
IBR				2					1	1	1	1		1	3	2	1		13	11,3%
JWB														7	3				12	10,4%
IMKTGR									1		2	1	4		1	2	1		12	10,4%
JIMKTG						1	3		1	1	1		1	2			2		10	8,7%
JIBS								1			1		1	1	1	2	2	1	10	8,7%
MIR				2									5	1					8	7,0%
JBV	1		1			1			1		1							1	6	5,2%
ETP			1										1	1	1	1	1		6	5,2%
EMJ															4	2	1		5	4,3%
EJMKTG			2															1	3	2,6%
AMJ								3											3	2,6%
SBE					1			1											2	1,7%
ISBJ											1					1			2	1,7%
JIMNGM								1											1	0,9%
JMS																	1		1	0,9%
SMNGMJ																		1	1	0,9%
JSBM																			0	0%
Total	1	2	2	4	1	2	6	3	4	7	10	11	9	13	15	12	17	3	115	100%

Source: author's personal elaborations

Legend: pink= International Marketing oriented Journals; green= Journal of International Entrepreneurship (launched in 2003); grey= International strategy/management oriented Journals; orange= Entrepreneurship Journals; blue= International Business Journals

Table 3.1 reports the analysed Journals and the number of studies from each Journal. The distribution of the articles is skewed across Journals. Most of the relevant papers were published in the core Journals in the IB (about 30 per cent), International Marketing (about 20 per cent) and Entrepreneurship (about 10 per cent) literature. Many articles have been published in the “newest” *Journal of International Entrepreneurship*. Moreover, the table shows that any paper has been published in the *Journal of Small Business Management*. These results confirm Rialp et al.’s (2005a) study and suggest that the topic is becoming relevant in the different fields. Due to its condition of frontier research issue, the author of this thesis acknowledges that the selection process may not be free of some possible omissions. Hence, my review effort has to be understood more as a general survey and overview of the current state of knowledge regarding born global, than as a systematic literature review of the complete population of works related to the broad IE field. This dissertation includes a significant and highly representative number of rigorous articles by a wide list of academic Journals that demonstrate the importance and, consequently, greater consideration currently given to this issue.

This literature review contributes to the IE field by describing the emergence of a distinct breed of IEOs (Zucchella and Scabini 2007), which are more capable than

ever of succeeding in global markets through the application of a specific constellation of orientations, strategies and capabilities. As recently Cavusgil and Knight (2009, p. 3) stated, “born global firms herald a new era of enormous benefits that will flow from ideas, goods and people as countless small firms trade with each other around a world that is becoming an economic global village”.

3.3. Analysis and discussion of the review results

3.3.1. The born global construct

The number of small firms operating on global markets has been growing rapidly in recent years and, more importantly, the process of internationalisation has been accelerating. The emergence of companies that internationalise from their outset has received much research interest. In the last two decades, many scholars have researched this phenomenon under several terms. Consistent with Oviatt and McDougall’s (1994, p. 49) definition, some researchers used the label “INV” (Coviello 1997; Zettinig and Benson-Rea 2008; Blesa et al. 2008). Other researchers applied the term “born global” (Madsen and Servais 1997; Moen and Servais 2002; Rialp-Criado et al. 2010), originally coined by Rennie (1993) and by Knight and Cavusgil (1996). Both the terms “born” and “global” are frequently applied in different combinations with others words (i.e., “born regional” by Chetty and Campbell-Hunt 2004 and Lopez et al. 2009; “global start-up” by Yeoh 2000 and Han 2006; “born international” by Kundu and Katz 2001). A minor group of scholars applied a mixture of terms such as “small” and “entrepreneurial” (e.g., “entrepreneurial start-up” by Burgel and Murray 2000). Some scholars used expressions such as “early” or “rapid” in order to highlight the precocious and accelerated internationalisation of these SMEs (e.g., “early internationalisers” by Chetty and Wilson 2003, Zucchella et al. 2007, Schwens and Kabst 2009a; “rapid internationalisers” by Morgan-Thomas and Jones 2009). Knight (2001) and recently Knight and Kim (2009) applied the term “contemporary SMEs” and McAuley (1999) coined “instant international”.

Nevertheless, the operationalisation of the concept still lacks further development. Researchers have arbitrarily defined the borders, adopting stricter or broader definitions. At the very outset, the venture’s characterising and qualifying dimensions of precocity, speed and geographic scope have not been clearly defined.

- *Time span between foundation and the beginning of international activities (precocity).* There is no agreement in defining the number of years after foundation when a firm started its international activities: up to two years (Moen 2002; Moen and Servais 2002; Chetty and Campbell-Hunt 2004); up to three years (Knight et al. 2004; Mort and Weerawardena 2006; Zhou et al. 2010; Naudé and Rossouw 2010); up to five years (Crick and Spence 2005); up to eight years (McDougall et al. 1994). Some researchers (Schwens and Kabst 2009a; 2009b; Bell et al. 2004) decided on the strict “original” definition as set by Oviatt and McDougall (1994). For example, Kropp et al. (2006) distinguished between “strictly born global” (i.e. firms that began exporting products from the inception of their businesses) from “born global by more lenient standard” (i.e. companies which began exporting between one to three years after their foundation or planned to export between one to three years).
- *Relevance of international activities to the firm (speed or intensity).* Another issue refers to the percentage of international activities on the firm’s total revenues: more than 25 per cent (Moen 2002; Moen and Servais 2002; Knight and Cavusgil 2004; Knight et al. 2004; Crick and Spence 2005; Mort and Weerawardena 2006; Loane et al. 2007; Blesa et al. 2008); more than 75 per cent for firms from countries with small domestic markets (Chetty and Campbell-Hunt 2004). Knight et al. (2004, p. 649) presented one of the first commonly used criteria to define a born global firm. They have operationalised born global as “firms less than twenty years old that internationalised on average within three years of founding and generate at least 25 per cent of total sales from abroad”. The Authors have noticed that the 25 percent cut-off ratio for exports is “somewhat arbitrary” and “established in light of the exploratory goals of the research”. However, many scholars judge this condition too strict, mainly in the identification of born global firms in developing countries (Dib et al. 2010) and/or new emerging economies (Zhang et al. 2009; Naudé and Rossouw 2010).
- *Geographic scope of international operations.* The extent to which a firm serves one or more international markets and the location of these countries have also been of concern to researchers: one or a few international markets

(Sharma and Bloomstermo 2003) or markets in various regions of the world (Chetty and Campbell-Hunt 2004). In their seminal article, Oviatt and McDougall (1994) referred to “multiple countries”; recently Blesa et al. (2008) refer to “consolidated international presence”, but they do not specifically define the number of countries or the global extent of a firm’s operations. Preece et al. (1999) suggest using the “global diversity” indicator, which they operationalise as the percent of annual sales coming from each of six market areas (Asia, Canada, Europe, Latin America, USA and Other). Researchers from Europe in particular (Kuivalainen et al. 2007) but also America (Lopez et al. 2009) have noticed that there are “born regional” (Chetty and Campbell-Hunt 2004) or “born international” (Kuivalainen et al. 2007) firms that internationalise rapidly in close countries, but do not globalise to other continents to any great extent.

- *Other adapted definitions.* Many researchers posit that, even if it is important to use the same definition in different studies in order to make them comparable, it is even more important to adapt it to different contexts. In this regard, many scholars adapted the born global definition used in their studies. Given the great variety of definitions, this section reports only a few examples. Kuivalainen et al. (2007) distinguished between “true born globals” and “born internationals” regarding the scale and the geographic scope of their activities. According to Gabrielsson et al. (2008a), a born global company should meet the following criteria: it should be a SME with a global vision at inception; its products should be unique and have a global market potential; they should be independent firms and should have demonstrated the capability for accelerated internationalisation, that is, their international activities featured both precocity and speed.

Regarding the industry presence of born globals, many studies verified the existence of these firms mainly in high-tech but also, to a minor extent, in low-tech industries. According to Autio et al. (2000, p. 910), the dynamism of high-tech industries may make these types of firms the clearest representatives of a more general phenomenon and there is substantial evidence that the phenomenon is more widespread (Andersson and Wictor 2003; Rialp et al. 2005b; Gabrielsson et al. 2008a; Evers

2010). Whereas Lopez et al. (2009) provided empirical evidence that most software companies in Costa Rica followed a gradual approach to internationalisation, Gabrielsson et al. (2008a) referred to case studies of born globals which are in machinery, food and clothes industries from different countries (namely Greece, Norway, Finland and Italy). In Denmark, the breadth of represented sectors is far greater, including such industries as metal fabrication, furniture, processed food and consumer products (Madsen and Servais 1997). Evers (2010) focused on firms in the aquaculture industry, a traditional low-technology sector.

Finally, it is interesting to notice that research has also been conducted in different geographical locations. Historically, the most popular markets for international business were advanced-economies in North America (Yeoh 2000; Knight and Cavusgil 2004), Europe (Moen 2002; Moen and Servais 2002), Australia (Evangelista 2005; Mort and Weerawardena 2006; Loane and Bell 2006); New Zealand (Chetty and Campbell-Hunt 2004; Coviello and Cox 2006). Today, researchers have reported on born globals also in emerging economies (Zou and Ghauri 2010) and developing countries (Dib et al. 2010). Hence, this literature review confirms that the born global phenomenon is neither industry- or geographic-specific.

3.3.2. Theoretical perspectives

Research on born globals show the degree to which the fields of IB, Strategic Management and Entrepreneurship have begun to converge. The spectrum of theoretical foundations explaining how and why companies are able to compete into global markets is varied. The great variety of the approaches shows that due to the early stage of scientific discussion and the complexity of the phenomenon of early internationalisers, no single theoretical approach can be identified as offering a comprehensive and broadly accepted explanation for accelerated internationalisation of emerging business. Whereas some researchers ask for the development of a novel and heuristic theory, Madsen and Servais (1997, p. 562) argued that "... it is not necessary to look for completely new theories in order to understand and further research born globals". Mainly in the first decades, many reviewed articles developed a large part of their theoretical approaches by identifying and examining the key driving forces/trends behind the observable emergence, continuous rise and further development of born global firms (Madsen and Servais 1997; Andersson and Wictor

2003; Preece et al. 1999; Moen 2002). In the first decades, the focus was on the understanding of the main features of these entrepreneurial companies (Boter and Holmquist 1996; Madsen and Servais 1997; Coviello 1997; Preece et al. 1999; McAuley 1999; Crick and Jones 2000). Other studies sometimes adopted a comparative explanatory framework approach regarding alternative internationalisation paths, usually distinguishing between traditional, gradually oriented exporters and born global firms (McDougall et al. 1994; Boter and Holmquist 1996). Mainly three theories, i.e. the Process Theory of Internationalisation (Johanson and Wiedersheim-Paul 1975; Johanson and Vahlne 1977), the INV framework (Oviatt and McDougall 1994) and the network theory of internationalisation (Coviello and Munro 1995; Bell 1995) dominated research in the first decades.

In recent decades, researchers have established their conceptualisations and testable hypotheses on developed theoretical perspectives from Entrepreneurship and Strategic Management literature. Between 1990 and 2000, only in very limited exceptions scholars explained the born global phenomenon from these perspectives (Bloodgood et al. 1996; Autio et al. 2000; Zahra et al. 2000; Yeoh 2000). On the one hand, Entrepreneurship is about the discovery and the exploitation of opportunities. Born globals are “entrepreneurial firms” because of their proactiveness, innovativeness and risk-taking posture. Thus, Entrepreneurship is well suited in order to study these firms (Kuemmerle 2002; Spence 2003; Crick and Spence 2005; Di Gregorio et al. 2008). However, only few reviewed papers have studied born globals’ internationalisation from this perspective. On the other hand, within the Strategic Management literature, RBV has served as one of the most useful perspectives in explaining born global phenomenon (Zahra et al. 2003; Knight and Kim 2009; Lu et al. 2010; Dib et al. 2010; Yu et al. 2011). Closely related to the RBV, dynamic capabilities view suggests that the ability to internationalise despite paucity of resources is a function of the internal capabilities of the firms (Weerawardena et al. 2007; Kuivalainen et al. 2007; Lu et al. 2010). Furthermore, some scholars studied the born global phenomenon from the organisational learning perspective (Gabrielsson et al. 2008a; Jantunen et al. 2008, Schwens and Kabst 2009b). Summarising, it is possible to argue that, in the early decades, researchers tried firstly to understand why, where and the main external/entrepreneurial factors influencing the emergence of these companies, but only in the latter years they have focused on the internal

resources and organisational capabilities of these companies. In this area it is possible to identify a research gap and, additionally, Rialp et al.'s (2005a) critical review indicates this as a key area for further research.

Very recently, researchers have also applied new theoretical perspectives, such as institutional theory (Cheng and Yu 2008; Kiss and Danis 2008). In addition, drawing on Bowen et al.'s (1989) model of prototypical characteristics of manufacturing and service firms, Malhotra and Hinings (2010) demonstrated that different organisation types (i.e. mass production, disaggregated production and project-based organisations) responded differently to critical elements of the internationalisation process. Building on entrainment theory, Khavul et al. (2010a) argued that entrainment with the most important international customers positively moderates the relationship between the degree, scope of internationalisation and performance. Other scholars have studied born globals from social networks (Zhou et al. 2007; Kiss and Danis 2008) and social capital viewpoint (Presutti et al. 2007; Sasi ad Arenius 2008; Prashantham and Dhanaraj 2010; Musteen et al. 2010).

Many researchers combined different theoretical perspectives and their choice confirm the multidisciplinary nature of IE (Sharma and Blomstermo 2003; Coviello and Cox 2006; Fernhaber et al. 2007; Evers and Knight 2008; Freeman et al. 2010). In this regard, the use of a single theoretical approach for explaining the acceleration of international operations by young smaller firms appears to be somewhat reductionist. In addition, it may inhibit any further theory development on this issue. Theoretically robust explanations could emerge from the combined use of multiple core theories and modern frameworks. Such mixed and improved conceptual approaches constitute an important step forward towards a more holistic understanding of born globals and should be encouraged and stressed in further research. Nevertheless, in spite of this increased theoretical rigor, several scholars' opinion is that comprehensive theoretical explanations and causal models of the born global phenomenon are still lacking (Moen and Servais 2002; Knight and Cavusgil 2004; Rialp et al. 2005b).

3.3.3. Empirical methods

The wide variety of research methods applied indicates both the highly complex nature of the issue itself and the very various research objectives addressed.

Qualitative/case based approaches were mainly applied in order to understand the determinants of early internationalisation (McAuley 1999; Mort and Weerawardena 2006; Thai and Chong 2008) or analyse the stage of growth of born globals (Gabrielsson et al. 2008a; Zettinig and Benson-Rea 2008). Only in a few exceptions, qualitative and quantitative methodologies complement each other (Chetty and Wilson 2003; Loane and Bell 2006; Knight and Kim 2009). Interestingly, some studies derived their sample from secondary sources in order to study the impact of the management team on the early internationalisation (Loane et al. 2007), discuss the limitations of some IB theories in explaining the international behaviour of born globals (McDougall et al. 1994) or simply explore the internationalisation process of these companies (Kuemmerle 2002). Specifically, two of these studies are qualitative in nature (Kuemmerle 2002; McDougall et al. 1994) and only one applied a mixed-method approach (Loane 2006).

Longitudinal analysis was used in order to study internationalisation pace (Sasi and Arenius 2008; Nordman and Melén 2009; Yu et al. 2011) and performance (Prashantham and Dhanaraj 2010) of born globals. Such studies remain scarce, mainly because of their high costs, the difficulties in obtaining rich archival data or the challenges associated with maintaining field access over extended periods. Furthermore, our review reveals that in the last two decades, scholars proposed many theoretical frameworks, but only a few of them empirically verified their validity (Di Gregorio et al. 2008).

The majority of the reviewed papers applied quantitative methods. Among these, a high percentage of articles (more than 70 per cent) used cross-section samples (Bloodgood et al. 1996; Autio et al. 2000; Zahra et al. 2000; Shrader et al. 2000; Fernhaber and Li 2010). Only a few papers compared born globals with other companies that followed a different path of internationalisation (Moen 2002; Moen and Servais 2002; McDougall et al. 2003; Yeoh 2004; Kuivalainen et al. 2007; Jantunen et al. 2008; Tuppura et al. 2008; Cabrol and Nlemvo 2009; Schwens and Kabst 2009a, 2009b; Pla-Barber and Puig 2009; Lopez et al. 2009; Zhang et al. 2009; Dib et al. 2010; Naudé and Rossouw 2010). For instance, Jantunen et al. (2008) and Tuppura et al. (2008) compared born globals, born-again globals and traditional exporters in order to identify their different strategic orientations. Cabrol and Nlemvo (2009) and Nordman and Melén (2009) found differences among born global

companies. Moen (2002) analysed the main differences between four categories of exporters based on their year of foundation and export-to-sales ratio (namely “old and local”, “old and global”, “new and local”, “new and global”) However, only a few scholars (Cabrol and Nlemvo 2009; Schwens and Kabst 2009a; 2009b; Pla-Barber and Puig 2009; Dib et al. 2010; Zhang et al. 2009) empirically compared born globals (i.e., companies that have experienced early and fast internationalisation) with traditional exporters (i.e., companies that have followed a traditional internationalisation process). Additionally, within this small sample of studies, only a few scholars have studied both the drivers of the early and speed internationalisation process and then the performance of born globals (Schwens and Kabst 2009a; Zhang et al. 2009). In this area it is possible to identify the second research gap. In this line, as Cavusgil and Knight (2009, p. 95) pointed out, “future research should collect data on born globals in order to gain a realistic understanding of the characteristics and other relevant factors regarding these companies. Examining non-born globals provides a basis for comparing and better understanding born globals”. Starting from this methodological gap, this work applies a quantitative approach and data regarding Italian born globas and traditional exporters were collected (please, see the following Chapter 5 and Chapter 7 regarding methodology and empirical findings).

Table 3.2 summarises the empirical methods in associations with the internationalisation analysed dimensions (i.e. pace and performance).

Table 3.2-Empirical methods and internationalisation dimensions

	internationalisation dimensions				
		internationalisation pace	pace&performance	international performance	total
empirical methods	qualitative	84,2%	5,3%	10,5%	100%
	quantitative	38,5%	28,8%	32,7%	100%
	mixed-method	54,5%	27,3%	18,2%	100%
	theoretical paper	78,6%	14,3%	7,1%	100%
	total	60,0%	19,1%	20,9%	100%

Source: author's personal elaboration

3.3.4. Factors influencing born globals' internationalisation dimensions

Extant empirical research has identified a wide number of drivers of born globals' internationalisation that could be essentially grouped into entrepreneur-, network-, firm-specific (endogenous) and facilitating, environmental/industry-specific (exogenous) factors (Zucchella 2005; Oviatt and McDougall 2005a; Hagen and Zucchella 2011). Whereas internationalisation process is measured through objective

parameters, the entrepreneur-, network- and firm-specific variables are considerably subject to interpretation and estimation because they pertain to the endogenous components of the organisational black box. Literature confirms that these factors affect the internationalisation dimensions (namely, pace and performance). The following sections briefly present these factors and how they influence the internationalisation dimensions.

Facilitating/context-specific factors. The majority of the reviewed articles consider globalisation and ICT enhancement the two most important trends that explain the born global phenomenon. The globalisation of markets involves countless firms in international sourcing, production and marketing as well as cross-border alliances for product development and distribution. On the one hand, the globalisation of markets facilitates internationalisation in recently created enterprises by affording abundant opportunities abroad (Andersson and Wictor 2003; Knight and Cavusgil 2004; Bell et al. 2004; Nummela et al. 2004a; Naudé and Rossouw 2010). On the other hand, technological advances in ICT, production methods, transportation and international logistics are reducing business transactions costs and facilitating extraordinary growth in international trade. Widespread diffusion of e-mail, the Internet and related technologies have made internationalisation a more viable and cost-effective option (Madsen and Servais 1997; Moen et al. 2003; Luo et al. 2005; Loane et al. 2007; Freeman et al. 2006; Morgan-Thomas and Jones 2009). The Table 3.3 summarises the facilitating/context-specific variables favouring the born globals internationalisation path and performance and the respective references.

Table 3.3- Facilitating factors favouring a born-global internationalisation path and performance

Facilitating factors	Internationalisation Pace	Internationalisation Performance
ICT enhancement	Oviatt&McDougall 2005a; Loane 2006; Thai&Chong 2008; Naudé&Rossouw 2010; Johnson 2004; Evangelista 2005; Chetty&Campbell-Hunt 2004; Madsen&Servais 1997; Moen et al. 2003; Luo et al. 2005; Loane et al. 2007; Freeman et al. 2006; Morgan-Thomas&Jones 2009	Loane 2006; Morgan-Thomas&Jones 2009
Globalisation	Bell et al. 2004; Naude&Rossouw 2010; Andersson&Wictor 2003; Chetty&Wilson 2003; Freeman et al. 2006; Knight&Cavusgil 2004; Nummela et al. 2004a	

Source: author's personal elaboration

The literature suggests that born globals show a higher intensity of these characteristics than traditional exporter companies

Environmental/industry-specific factors. Environmental factors, such as industry or market conditions, act as a moderator of internationalisation behaviour. Arguably, some sectors are more international than others and hence affect the acceleration of the internationalisation process (McAuley 1999; Crick and Jones 2000; Freeman et al. 2006; Gassman and Keupp 2007; Thai and Chong 2008; Evers 2010). Also, the foreign country's e-business infrastructures (such as technology supportiveness, the Internet use, legal protection, government transparency) are important variables affecting the rate of e-commerce companies' entrance into foreign markets and their performance (Luo et al. 2005). Companies in nations with small domestic markets have a higher propensity to become born globals (Boter and Holmquist 1996; Evangelista 2005; Freeman et al. 2006; Evers 2010). Niche markets created by changed consumer preferences are an important source of opportunities for small firms, which quickly adapt product offerings to meet emerging market needs (Andersson and Wictor 2003; Spence 2003; Nummela et al. 2004a; Chetty and Campbell-Hunt 2004; Rialp et al. 2005b; Evers 2010). Regional clusters and industrial districts provide a favourable environment for the rapid internationalisation of SMEs (Crick and Jones 2000; Zucchella et al. 2007; Pla-Barber and Puig 2009; Dib et al. 2010) and for their international performance (Fernhaber et al. 2008). Lastly, the role of government in the promotion of foreign sales has been extensively debated (Crick and Jones 2000; Bell et al. 2004), but few papers have actually evaluated the internationalisation dimensions using government support as an explanatory variable (Preece et al. 1999; Evangelista 2005). The regulatory environment both in the domestic and foreign

countries affects the internationalisation process of born globals, mainly in emerging countries (Yamakawa et al. 2008). The Table 3.4 summarises the environmental/industry-specific variables favouring the born globals internationalisation path and performance and the respective references.

Table 3.4- Environmental/industry-specific variables favouring a born-global internationalisation path and performance

Environmental/Industry specific-factors	Internationalisation Pace	Internationalisation Performance
Industry-specific factors	Shrader et al. 2000; Fernhaber et al. 2007; Yamakawa et al. 2008; Fernhaber&Li 2010; Bell 1995; Bell et al. 2004; Boter&Holmquist 1996; Andersson 2004; Johnson 2004; Andersson&Wictor 2003; McDougall et al. 2003; Malhotra&Hinings 2011; Madsen&Servais 1997; Moen 2002; Mcauley 1999; Gassman&Keupp 2007; Evers 2010; Thai&Chong 2008; Crick&Jones 2000; Cheng&Yu 2008; Oesterle 1997; Fernhaber&McDougall-Covin 2009	Rhee 2005
Narrowness of the domestic market	Boter&Holmquist 1996; Evangelista 2005; Freeman et al. 2006; Evers 2010; Oesterle 1997; Lopez et al. 2009	
Public support	Evangelista 2005; Crick&Jones 2000	Preece et al. 1999
Institutional environment	Yamakawa et al. 2008; Kiss&Danis 2008; Naude&Rossouw 2010	Cheng&Yu 2008; Yamakawa et al. 2008
Niche market	Rialp et al. 2005b; Andersson&Wictor 2003; Spence 2003; Nummela et al. 2004a; Chetty&Campbell-Hunt 2004; Evers 2010	
District-cluster	Dib et al. 2010; Pla-Barber&Puig 2009; Crick&Jones 2000; Zucchella et al. 2007	Fernhaber et al. 2008

Source: author's personal elaboration

The literature suggests that born globals show a higher intensity of these characteristics than traditional exporter companies

Entrepreneur-specific factors. Another set of variables that might influence the internationalisation process of born globals is related to the characteristics of the founder/entrepreneur/management team (Keeble et al. 1998; Loane et al. 2007; Spence et al. 2007). According to McDougall et al. (1994), Spence (2003) and Crick (2009), the entrepreneur is an individual who is more aware of opportunities than others, someone that is more capable of taking advantage of his/her superior capabilities to create competitive advantages before others become aware of such opportunities. Consequently, studies on entrepreneur-related variables have focused on the development of a global mind-set due to his/her international orientation, experience or education abroad (McAuley 1999; Oviatt and McDougall 2005a; Zhou et al. 2010) and on typical entrepreneurial characteristics, such as higher tolerance to risk (Shrader et al. 2000) and superior innovative capabilities (Kuemmerle 2002; Nordman and Melén 2009). According to Madsen and Servais (1997) and Zucchella et al. (2007), the entrepreneur is a key antecedent of a born global, adding other differentiating features such as former international experience and education with a

background that facilitates accessing networks of contacts and resources. All these characteristics and attitudes enhance the founder's ability to see and exploit opportunities and contribute to successful internationalisation (Bloodgood et al. 1996; Shrader et al. 2000; Bell et al. 2004; Loane et al. 2007; Naudé and Rossouw 2010). The Table 3.5 summarises the entrepreneurial-specific variables favouring the born globals internationalisation path and performance and the respective references.

Table 3.5 – Entrepreneurial-specific factors favouring a born-global internationalisation path and performance

Entrepreneur-specific-factors	Internationalisation Pace	Internationalisation Performance
Top Management Team/Entrepreneurial Team composition	Shrader et al. 2000; Bloodgood et al. 1996; Bell et al. 2004; Naudé&Rossouw 2010; Loane et al. 2007	Kundu&Katz 2001
Top Management Team/Entrepreneurial Teamexperience/background	Shrader et al. 2000; Sasi&Arenius 2008; Bell et al. 2004; Boter&Holmquist 1996; Schwens&Kabst 2009a; Bloodgood et al. 1996; McDougall et al. 2003; Keeble et al. 1998; Luo et al. 2005; Crick&Jones 2000; Loane et al. 2007	Schwens&Kabst 2009a; Fernhaber et al. 2008
Top Management Team/Entrepreneurial Team opportunity recognition/exploitation	Sasi&Arenius 2008; Crick&Spence 2005	
Entrepreneur opportunity recognition/exploitation	Oviatt&McDougall 2005a; McDougall et al. 1994; Spence 2003; Crick 2009; Nordman&Melén 2008	
Entrepreneur background/experience	Oviatt&McDougall 2005a; Cabrol&Nlemvo 2009; Kuemmerle 2002; Naudé&Rossouw 2010; Crick 2009; Chetty&Campbell-Hunt 2004; Dib et al. 2010; Freeman&Cavusgil 2007; Zucchella et al. 2007; Weerawardena et al. 2007; Oviatt&McDougall 1997; Spence et al. 2007	Kundu&Katz 2001; Aspelund&Moen 2005; Contractor et al. 2005; Rhee 2005
Entrepreneur "global mindset"	Oviatt&McDougall 2005a; Naudé&Rossouw 2010; Rialp et al. 2005b; Moen 2002; Moen&Servais 2002; Dib et al. 2010; McAuley 1999; Freeman&Cavusgil 2007	
Founders background	McDougall et al. 1994; Johnson 2004; Evangelista 2005; Gabrielsson et al. 2008a; Thai&Chong 2008	
Founders experience/competences	McDougall et al. 1994; Johnson 2004; Madsen&Servais 1997; Evangelista 2005; Gabrielsson et al. 2008a; Thai&Chong 2008	

Source: author's personal elaboration

The literature suggests that born globals show a higher intensity of these characteristics than traditional exporter companies

Firm-specific variables. Organisational factors significantly influence a firm's drive to internationalise. Particularly resources, capabilities and strategic orientations are important to born globals, typically poor in tangible resources. The firm's asset base, in the broadest sense, includes labour, capital, technology, knowledge, property rights and also the structures, routines and processes that are needed to support their activities. Many studies recognised that intangible resources positively affect the early/fast internationalisation (Yeoh 2000; Kuemmerle 2002; Gassman and Keupp 2007; Fernhaber and McDougall-Covin 2009) and performance of born globals

(Preece et al. 1999; Yeoh 2000; Kundu and Katz 2001; Zahra et al. 2003; Schwens and Kabst 2009a). On the contrary, very few exceptions analysed the influence of tangible resources on the born globals' internationalisation dimensions (Blogdood et al. 1996; Autio et al. 2000; Fernhaber et al. 2008; Fernhaber and Li 2010). Dynamic capabilities, which refer to the firm's ability to make use of its resources effectively, are embedded in a firm's processes and routines and, together with the firm's resources, form distinctive competences. In the last few decades, researchers have identified a variety of dynamic capabilities. Among others, adaptive capability (Lu et al. 2010), financial capability (Kuivalainen et al. 2010), international entrepreneurial capability (Zhang et al. 2009), networking capability (Weerawardena et al. 2007; Mort and Weerawardena 2006; Zhou et al. 2010) and international business competence (Knight and Kim 2009) positively influence international performance. In contrast, technological, managerial/organisational and marketing capabilities have a negative effect both on degree of internationalisation and international performance (Kuivalainen et al. 2010; Khavul et al. 2010b). Thus, capabilities are important in the born globals internationalisation process, but only a few studies tried to explain how capabilities affected their internationalisation path and performance.

Other scholars examined specific strategic orientations (Jantunen et al. 2008; Tuppuru et al. 2008). In particular, entrepreneurial orientation (Kocak and Abimbola 2009; Zhou et al. 2010), market orientation (Thai and Chong 2008; Zhou et al. 2010) and learning orientation (Jantunen et al. 2008) are the most analysed ones. Often, they influence the firm's performance interactively (Kropp et al. 2006; Kocak and Abimbola 2009). Other studies emphasised their role as antecedents to born globals' international pace and performance (Knight 2001; Knight and Cavusgil 2004). Sometimes their positive influence is mediated by some capabilities and/or resources (Knight and Cavusgil 2004; Zhou 2007).

Among intangible resources, literature provides evidence to the role of marketing competences of born globals (Moen and Servais 2002; Moen et al. 2003; Yeoh 2004). Marketing competences involve skilful handling of product adaptation and the marketing planning process, control of marketing activities, prowess in differentiating the products, as well as being highly effective in pricing, advertising and distribution. In particular, product quality and product differentiation are indicated as key factors for born globals international success (Preece et al. 1999;

Knight et al. 2004; Evers and Knight 2008). The Table 3.6 summarises the firm-specific variables favouring the born globals internationalisation path and performance and the respective references.

Table 3.6- Firm-specific factors favouring a born-global internationalisation path and performance

Firm-specific-factors	Internationalisation Pace	Internationalisation Performance
Resources (technological, unique assets, R&D, financial...)	Oviatt&McDougall 2005a; Cabrol&Nlemvo 2009; Morgan-Thomas&Jones 2009; Kuemmerle 2002; Naudé&Rossouw 2010; Freeman et al. 2010; Yu et al. 2011; Zou&Ghauri 2010; Gassman&Keupp 2007; Zahra et al. 2003; Zetting&Benson-Rea 2008; Kotha et al. 2001; Tupura et al. 2008; Schwens&Kabst 2009a; Crick&Spence 2005; Madsen&Servais 1997; Spence&Crick 2006; Dib et al. 2010; Thai&Chong 2008; Bloodgood et al. 1996; Rialp et al. 2005b; Dib et al. 2010; Spence et al. 2007; Oviatt&McDougall 1997; Rialp-Criado et al. 2010; Bell 1995; Di Gregorio et al. 2008; Ibeh 2005; Kuivalainen et al. 2007; Schwens&Kabst 2009b	Autio et al. 2000; Morgan-Thomas&Jones 2009; Yli-Renko et al. 2001; Yeoh 2000; Zahra et al. 2003; Preece et al. 1999; Schwens&Kabst 2009a; Kundu&Katz 2001; Fernhaber et al. 2008; Oviatt&McDougall 1997; Aspelund&Moen 2005; Contractor et al. 2005; Knight&cavusgil 2005; Kuivalainen et al. 2007; Rhee 2005
Marketing strategy (customer focus, superior product quality, superior technology...)	Evers&Knight 2008; McAuley 1999; Gassman&Keupp 2007; Khavul et al. 2010b; Evangelista 2005; Jones&Crick 2000; Mathew et al. 2010; Knight et al. 2004; Dib et al. 2010; Freeman&Cavusgil2007; Chetty&Campbell-Hunt 2004	Knight et al. 2004; Moen&Servais 2002; Yeoh 2000; Zhara et al. 2000; Chetty&Wilson2003; Khavul et al. 2010b; Yli-renko et al. 2002; Knight et al. 2004; Chetty&Campbell-Hunt 2004; Moen et al. 2003; Mathew et al. 2010
Dynamics capabilities	Zhang et al. 2009; Weerawardena et al. 2007; Luo et al. 2005; Mort&Weerawardena et al. 2006; Kuivalainen et al. 2010; Loane et al. 2007; Zhou 2007	Kuivalainen et al. 2010; Weerawardena et al. 2007; Khavul et al. 2010b; Lu et al. 2010; Zhou et al. 2010; Knight&Kim2009
Strategic orientation	Tupura et al. 2008; Schwens&Kabst 2009b; Crick 2009; Boter&Holmquist 1996; Fillis&Lee 2011; Kummerle 2002; Andersson 2004; Evangelista 2005; Chetty&Campbell-Hunt 2004; Dib et al.2010; Madsen&Servais 1997; Mort&Weerawardena 2006; Bell et al. 2004; Freeman&Cavusgil 2007; Kuivalainen et al. 2007; Acedo&Jones 2007; Zhou 2007	Tupura et al. 2008; Jantunen et al. 2008; Lu et al. 2010; Zhang et al. 2010; Kuivalainen et al. 2010; Kocak&Abimbola 2009; Knight&Kim 2009; Yeoh 2004; Zhou&Ghauri 2010; Kropp et al. 2006; Knight&Cavusgil 2004; Zhou et al. 2010; Kuivalainen et al. 2007; Knight 2001; Blesa et al. 2008

Source: author's personal elaboration

The literature suggests that born globals show a higher intensity of these characteristics than traditional exporter companies

Network-specific factors. In the context of intangible resources, much emphasis is also placed on organisational and social networks. The extant literature reiterates that networks are important for born globals, given their resource constraints (Crick and Jones 2000; Sharma and Blomstermo 2003; Chetty and Wilson 2003; Mort and Weerawardena 2006; Han 2006). According to Loane and Bell (2006, p. 478), “extant networks form part of the fabric of the intangible resource and knowledge base of the firm”. Social and business relationships often exerted significant influence on the strategic behaviour of firms, including their initial internationalisation process (Freeman et al. 2006), pace of internationalisation (Bell 1995; Kiss and Danis 2008;

Dib et al. 2010; Freeman et al. 2010), economic performance (Zahra et al. 2003) and innovative performance (Presutti et al. 2007). In other words, social and business networks, where they exist, are a valuable resource (Preece et al. 1999; Kotha et al. 2001; Spence 2003; Loane and Bell 2006; Coviello and Cox 2006). The Table 3.7 summarises the network-specific variables favouring the born globals internationalisation path and performance and the respective references.

Table 3.7 – Network-specific factors favouring a born-global internationalisation path and performance

Network-specific-factors	Internationalisation Pace	Internationalisation Performance
Network (organisational level)	Coviello&Munro 1995; Bell et al. 2004; Khavul et al. 2010a; Zahra et al. 2003; Coviello&Cox 2006; Naudé&Rossouw 2010; Schwens&Kabst 2009a; Johnson 2004; Spence 2003; Nummela et al. 2004a; Coviello 2006; Kotha et al. 2001; Freeman et al. 2010; Chetty&Wilson 2003; Sharma&Blomstermo 2003; Coviello&Munro 1995; Gabrielsson et al. 2008a; Loane&Bell 2006; Keeble et al. 1998; Evers&Knight 2008; Chetty&Campbell-Hunt 2004; McAuley 1999; Gassman&Keupp 2007; Dib et al. 2010; Tuppura et al. 2008; Zucchella et al. 2007; Spence et al. 2007; Coviello 1997	Khavul et al. 2010a; Zahra et al. 2003; Manolova et al. 2010
Social capital	Rialp et al. 2005b; Coviello&Cox 2006; Han 2006; Nummela et al. 2004a; Kiss&Danis 2010; Musteen et al. 2010	Presutti et al. 2007; Prashantham&Dhanaraj 2010; Musteen et al. 2010
Social network	Oviatt&McDougall 2005a; Coviello&Munro 1995; Kiss&Danis 2008; Sasi&Arenius 2008; McDougall et al. 1994; Freeman et al. 2010; Dib et al. 2010; Crick&Spence 2005; Coviello&Munro 1995; Spence&Crick 2006; Loane&Bell 2006; Crick 2009; Chetty&Campbell-Hunt 2004; Crick&Jones 2000; Freeman et al. 2006; Freeman&Cavusgil 2007	Zhou et al. 2007; Manolova et al. 2010

Source: author's personal elaboration

The literature suggests that born globals show a higher intensity of these characteristics than traditional exporter companies

3.4. Linking drivers to born globals' internationalisation dimensions

Since the 1990s, the highest percentage of the reviewed articles has focused on the internationalisation pace and performance of born global companies (respectively, about sixty per cent and twenty-five per cent). In very limited cases, scholars analysed also their entry modes strategies (Burgel and Murray 2000; Melén and Nordman 2008) and the global scope of their activities (McNaughton 2003; Arenius 2005; Ojala and Tyrväinen 2007). The remaining percentage of articles (about fifteen per cent) analysed the born globals' internationalisation pace in conjunction with performance (Kundu and Katz 2001; Zahra et al. 2003; Chetty and Campbell-Hunt 2004; Knight et al. 2004; Luo et al. 2005; Cheng and Yu 2008; Schwens and Kabst

2009a; Zhang et al. 2009; Knight and Kim 2009; Zou and Ghauri 2010; Zhou et al. 2010; Kuivalainen et al. 2010; Khavul et al. 2010a; Musteen et al. 2010). These small samples of studies pointed out that the precocious and accelerated internationalisation of a born global is expected to influence its performance. In short, these papers confirm the positive correlation between accelerated internationalisation and performance. Only two papers examined the four-internationalisation dimensions (namely, pace, performance, entry modes strategy and geographic scope). Interestingly, these two papers studied the associations of firm-specific variables (respectively, dynamic capabilities and strategic orientations) on all the four internationalisation dimensions (Weerawardena et al. 2007; Tuppura et al. 2008), but only in one case did scholars empirically verify their results (Tuppura et al. 2008).

The present literature review shows that the majority of the papers analysed firm- and network-specific factors. Some scholars referred to the impact of all the four factors on internationalisation pace (McAuley 1999; Crick and Jones 2000; Bell et al. 2004; Chetty and Campbell-Hunt 2004; Rialp et al. 2005b; Dib et al. 2010; Naudé and Rossouw 2010). Especially, in three cases, researchers analysed the impact of these variables on early/rapid internationalisation in combination with performance (Chetty and Campbell-Hunt 2004), geographic scope (Bell et al. 2004) and entry modes strategies (Bell et al. 2004). Table 3.8 summarises and links the born global drivers with the internationalisation dimensions.

Table 3.8- Drivers and internationalisation dimensions

		internationalisation dimensions			
		internationalisation pace	pace&performance	international performance	total
drivers	firm-specific factors	29%	54%	55%	39%
	entrepreneurial-specific factors	21%	21%	16%	20%
	environmental-specific factors	26%	10%	13%	21%
	network-specific factors	24%	15%	16%	20%
	total	100%	100%	100%	100%

Source: author's personal elaboration

A more fine-grained analysis permits to identify more in depth some literature gaps and/or contrasting areas relating to the born global internationalisation path and performance.

- As mentioned above, literature widely recognised the importance of environmental variables on both internationalisation pace and performance. However, within this sample of studies, only a few papers contributed to the literature on the development of industrial districts/clusters as a means for improving export performance and accelerating the path of internationalisation (for recent exceptions, see Zucchella et al. 2007 and Pla-Barber and Puig 2009). In particular, Pla-Barber and Puig's (2009) empirical study confirms that district firms are more active in export markets and show a more accelerated pattern of internationalisation than non-district companies. In this vein, Zucchella et al. (2007) found a positive correlation between location specific (i.e. cluster and districts) and early internationalisation. Since nowadays wider analyses of data in different traditional districts reveal mostly negative situations (like job losses and a rise in unemployment, loss of market share by district suppliers, increasing transfer of specialised knowledge outside the local system, changes in inter-firm relations, increased social problems, and so on), many others studies could contradict or confirm these assertions. This area constitutes a first literature gap.
- As the literature review shows, the majority of the papers have confirmed that the previous (international) experience and background of the founders/entrepreneurs/management team positively influence the early internationalisation; however, only a few papers analysed the impact of these factors on the internationalisation performance. The majority of the researchers agreed that the international business experience and personal attitude of the founders/entrepreneurs/managers increases and accelerates the propensity of SMEs' to expand their activities on global markets. On the contrary, other scholars noticed that previous experience in founding businesses, industrial/technical experience and entrepreneurial inclination were not present in their sample of born globals (Blogdood et al. 1996; Thai and Chang 2008; Dib et al. 2010). Many scholars have also highlighted a global mind-set as a prerequisite to global expansion (Nummela et al. 2004a; Freeman and Cavusgil 2007). However, a more fine-grained analysis shows that only a very small percentage of articles have focused on this topic. In

addition, the Table 3.5 shows that no studies analysed its impact on internationalisation performance of born globals. In this area it is possible identify another research gap.

- The role of networks has emerged from the majority of studies. It is believed that social and business relationships exert significant influence on the strategic behaviour of firms, including their initial internationalisation process (Freeman et al. 2006), pace of internationalisation (Freeman et al. 2010; Freeman et al. 2006; Rialp et al. 2005b; Kiss and Danis 2008; Bell 1995; Loane and Bell 2006) and both economic (Zhou et al. 2007) and innovative performance (Presutti et al. 2007). However, literature review reveals that there is no consensus regarding the positive influence of networks on the early internationalisation process and international performance. For example, Tupppura et al. (2008) found no significant relationship between network dependence and first mover orientation, which ultimately affects the early internationalisation of firms. Coviello (2006) suggested that negative consequences of networks exist when a network becomes too sparse and fragmented. Nummela et al. (2004a) found that rapidly internationalising firms have fewer partners than those who internationalise with less speed. Interestingly, Mort and Weerawardena (2006) identify a negative aspect of network that they termed “network rigidity”: the involvement in networks may limit strategic options as opportunities must then be pursued within the network boundaries. Thus, this work call for more research within this research area, which presents many contrasting findings.
- Finally, it is clear that firms’ resources, capabilities and strategic orientations affect the early and rapid international expansion and performance of companies. A more fine-grained analysis shows that only a few very recent studies have tried to look into the role of dynamic capabilities on the internationalisation pace and performance of born globals and in this area there are very contrasting results. One possible solution may be that scholars have only started to analyse born globals from this perspective in recent decades; then, it is very difficult to measure what a capability is and there are not any unifying scales that allow for the measurement of IE capabilities. In this regard, Weerawardena et al.’s (2007) framework represents a first

attempt to explain the born globals internationalisation process from a dynamic capability perspective. The Authors argued that the most critical capabilities in born globals internationalisation and international performance include a market-focused learning capability, internally focused learning capability, networking capability and marketing capability. These capabilities in combination with superior qualifications of company founders (such as possession of an international entrepreneurial orientation, prior international experience and a general learning orientation) lead born globals to develop knowledge intensive products that facilitate early internationalisation. This learning gives rise to knowledge that management use to advance company performance. Other researchers have tried to define dynamic capabilities scales (Zhang et al. 2009; Knight and Kim 2009). Built on RBV and dynamic capability view perspectives, Knight and Kim (2009) developed a construct to reflect intangible resources that lead to successful SMEs internationalisation. They labelled this construct of resources “international business competence”. According to the Authors, international business competence has four dimensions, namely international orientation, international marketing skills, international innovativeness and international market orientation. They also found that international business competence was instrumental in SMEs international performance. In the same vein, Zhang et al. (2009) presented the development and application of a new measure of international entrepreneurial capability and its five dimensions (i.e. international experience, international learning, international marketing, international networking and innovative and risk-taking capabilities). They tested them and found that born global companies and traditional exporters were statistically different along three dimensions (i.e. international learning capability, international networking capability and international experience). Summarising these findings, it is evident that this research area has not been explored too much and the findings are not satisfying. Given that small firms that aspire both to enter global markets early/rapidly and to outperform their competitors on global markets should develop a strategic set of dynamic capabilities, these assumption call for more research in this area.

Synthesis and conclusion

This third Chapter aimed to provide a comprehensive review of the literature on born globals -that is, firms that have operated in global markets right from or close to inception- from the time when such firms emerged in the literature in the early 1990s up until today. The focus was on empirical and conceptual contributions and the review was narrative in nature. Chapter 3 presented and discussed findings related to impact of entrepreneur-, firm, network- and environmental-specific variables on internationalisation pace and performance of born globals. Although at first glance these studies appeared quite diversified partially due to the lack of a dominating theoretical framework and empirical methodology, this updated literature review identified key determinants that have been supported by the highest percentage of the reviewed articles. Particularly, firms' resources, capabilities, strategic orientations and environmental factors seem to positively influence born globals' early/rapid expansion and performance on global markets. However, in this area, it is possible to identify the majority of research gaps and contrasting findings. Finally, this Chapter offered guidance for future research in a field of study that is still in its infancy. Starting from some of the research gaps and contrasting research areas that emerged from the literature review, the next Chapter 4 will introduce the research questions and hypotheses of this PhD dissertation.

CHAPTER 4- LINKING LITERATURE TO RESEARCH QUESTIONS AND HYPOTHESES

“The discovery of a gap between expectation and reality indicates that new knowledge is needed. This motivates action to remove or diminish the gap”
(Shaver et al. 1997)

Introduction

The previous Chapter 3 illustrated the state of the art regarding early/rapid internationalisation and performance. In addition, it suggested literature gaps and contrasting research areas within this emerging topic. Starting from these research gaps, Chapter 4 defines the research questions and hypotheses of this PhD dissertation. Accordingly, this Chapter is structured as follows. The first section summarises the research gaps, the contrasting areas identified in the born global literature and then it derives the research questions (Section 4.1). After, it presents the relations between organisational capabilities and internationalisation process (Section 4.2) and international performance (Section 4.3). Then, the two final sections (Section 4.2 and 4.3) suggest the research hypotheses, which will be empirically tested in the subsequent Chapter 7.

4.1. The Research Questions

The emergence of a growing number of firms that have been global since their inception attracted the attention of researchers in the 1990s (McDougall 1989; Rennie 1993). These new firms did not seem to follow the traditional pattern predicted by behavioural models of internationalisation, such as the U-Model (Johanson and Wiedersheim-Paul 1975; Johanson and Vahlne 1977, 1990). Rather, they followed an early and accelerated process of global expansion, one not readily explained by traditional theories (Jones 2001; Bell et al. 2004; Evangelista 2005; Rialp et al. 2005b). The majority of existing research in the context of IE has utilised high-technology ventures as their unit of analysis (Jolly et al. 1992; Coviello and Munro 1995; Burgel and Murray 2000; Zahra et al. 2000; Kotha et al. 2001). In addition, the

emergence of this phenomenon is evident in advanced-economies in North America (Yeoh 2000; Knight and Cavusgil 2004), as well as Australia (Evangelista 2005; Mort and Weerawardena 2006; Loane and Bell 2006), New Zealand (Chetty and Campbell-Hunt 2004; Coviello and Cox 2006) and Europe (Moen 2002; Moen and Servais 2002). Within Europe, researchers have reported on born globals mainly in Nordic countries, like Finland (Yli-Renko et al. 2002; Kuivalainen et al. 2010), Norway (Boter and Holmquist 1996; Moen et al. 2003; Toften and Hammervoll 2009) and Denmark (Knight et al. 2004; Moen and Servais 2002). Only in limited cases scholars have referred to born globals from other European countries (Jones 2001; Crick 2009) and from Italy (Presutti et al. 2007; Zucchella et al. 2007).

Part of the explanation of this phenomenon did seem to come from changes in the business environment resulting from globalisation. Global markets had become more competitive and interdependent with technological changes (Knight 2000; Brondoni 2007). New technologies, such as the Internet, also enabled these firms to overcome scale disadvantages and global market barriers (Rennie 1993; Lambin 2008b). Firms from every country do not have equal propensities to be born global, since environmental conditions around the world are not homogeneous (Zucchella 2002). Country size (Bloodgood et al. 1996) seems to be one factor in predicting the emergence of born globals. Small open economies (Gabrielsson and Kirpalani 2004), economies with small domestic markets (Moen 2002) and knowledge-intensive economies (Arenius 2005) seem to favour the appearance of born globals. Despite the relevance of environmental factors in creating the conditions that give rise to born globals, changes in the business environment alone cannot explain their emergence. In fact, firms following the traditional internationalisation path continue to enter international markets (Andersson and Victor 2003; Rialp et al. 2005b; Sinkovics and Bell 2006), as well as firms from industries and countries that do not fit the observed patterns. This suggests that other factors, internal to the firm, might explain at least partially the new phenomenon. Especially in dynamic, changing and unpredictable environments, organisational resources and capabilities are seen to contribute most to accelerating the global expansion of companies to improve their performance on global markets (Autio et al. 2000; Fernhaber and McDougall-Covin 2009; Filatotchev et al. 2009). Notwithstanding much research interest in this topic, only a few very recent papers have studied the born globals phenomenon from this perspective. In

their efforts to explain the rise of born globals, McDougall et al. (1994, p. 484) pointed out that "... the existing theories from IB are inadequate to the task because they focus on the wrong questions and the wrong level of analysis". According to Rialp et al. (2005a, p. 162), "organisational capability perspective constitutes one of the most promising theoretical frameworks from which to explain and interpret not only the emergence of early internationalising firms but also its further development in the form of a rapid and sustained international growth". According to Knight and Cavusgil (2004, p. 125) "... there has been very little empirical research aimed at uncovering the actual bundles of capabilities that characterise truly innovative firms, as well as the casual link between the possession of particular types of knowledge, organisational routines and superior performance". In their recent IE review, Keupp and Gassman (2009, p. 611) reported that only five per cent of the reviewed articles used theoretical frameworks derived from the Strategic Management literature. In addition, Weerawardena et al. (2007, p. 303) recently asserted, "although the literature on dynamic capabilities has grown over recent years, it is only beginning to assemble a strong empirical following. This empiricism requires a conceptualisation that captures the processes of capability building within the firm, and hence, a process approach to the investigation of dynamic capabilities in specific contexts is needed". Along the same line, in their up-to-date review on RBV within the IE stream of research, D'Angelo and Warner (2010, p. 11) asserted "... the RBV has had most application when researching the internationalisation of the firm". It is evident that in this area the research on organisational resources and capabilities has not yet reached maturity (McEvily and Chakravarthy 2002; Kuivalainen et al. 2010).

The updated literature review presented in the previous Chapter revealed that there are various classifications of different capabilities and measurement scales presented in the literature. The boundaries between the concepts of resources, capabilities and skills are not quite clear (Amit and Schoemaker 1993; Teece et al. 1997; Andersen and Kheam 1998). Moreover, in practice, to exactly measure what a capability is and what type of value it provides to its possessor is often context specific and hard to ascertain. In addition, researchers reported contrasting results about the influence of organisational capabilities on internationalisation pace and performance. For example, Spanos and Lioukas (2001) divided capabilities into technical, marketing and organisational ones. Kuivalainen et al. (2010) used a classification of financial,

managerial/organisational, technical and marketing capabilities in their analysis. Zhang et al. (2009) presented the development and the application of a new measure of IE capability and its five dimensions (i.e. international experience, international learning, international marketing, international networking, innovative and risk-taking capabilities). Mort and Weerawardena (2006) suggested that networking capabilities change over the evolution of the firm's internationalisation process. All these capabilities are important for the firm's development but researchers reported that they differently affect the internationalisation process and performance of born globals. For example, Thai and Chong (2008) considered entrepreneurial orientation, technology (i.e. uniqueness of product, product with highly sophisticated technologies) and network important capabilities in the formation of born global firms. Blesa and Ripollés (2008) argued that marketing capabilities have a positive influence not only on economic international performance, but also on international commitment and international entry modes. Luo et al. (2005) considered marketing capabilities in conjunction with innovation capabilities and found that they affect the speedy internationalisation of e-commerce companies. Moreover, adaptative (Lu et al. 2010), networking (Zhang et al 2009), international learning (Zhang et al 2009), innovative (Zhang et al. 2009; Kuivalainen et al. 2010), marketing (Zhang et al. 2009; Kuivalainen et al. 2010) and managerial capabilities (Kuivalainen et al. 2010; Lu et al. 2010) are important in born global international performance. According to Zhang et al. (2009), the born global firms of their sample were statistically different from traditional firms along three dimensions: international learning capability, international networking capability and international experience. According to the Authors, other capabilities are less or not important for the internationalisation performance (for example, financial capabilities).

Notwithstanding the relevance of the topic, some knowledge gaps and contrasting research areas emerge in the current born global literature, which this PhD thesis seeks to address. Firstly, this study sets out to advance the knowledge on born globals by exploring the factors influencing the emergence and the performance of born globals operating in the manufacturing sector, a largely understudied context in IE. Secondly, there has been limited research exploring the role of organisational capabilities on the accelerated internationalisation and international performance of born globals. Following this lead, this PhD dissertation explores the

internationalisation process and performance of a sample of Italian manufacturing SMEs from the widely interpreted RBV and dynamic capability view perspective.

This work uses a classification of *international entrepreneurial orientation*, *international market knowledge capability*, *international marketing capability* and *international networking capability*. All these capabilities are important for the firm's development and are established predictors of born globals. An important note to make is that these capabilities are not isolated capabilities but are very much interconnected. The following sections briefly present them. In sum, *the main goal of this work is to study the effects of some relevant internal organisational capabilities, international market knowledge capability, international marketing capability and international networking capability on internationalisation path and performance*, i.e., to test if they could explain the internationalisation and performance of a sample of Italian manufacturing SMEs. Furthermore, this work tests whether there is any IE capability difference between born globals and traditional exporter companies. Thus, adopting RBV and dynamic capability perspectives, this study addresses the following research questions (RQ1 and RQ2 hereafter):

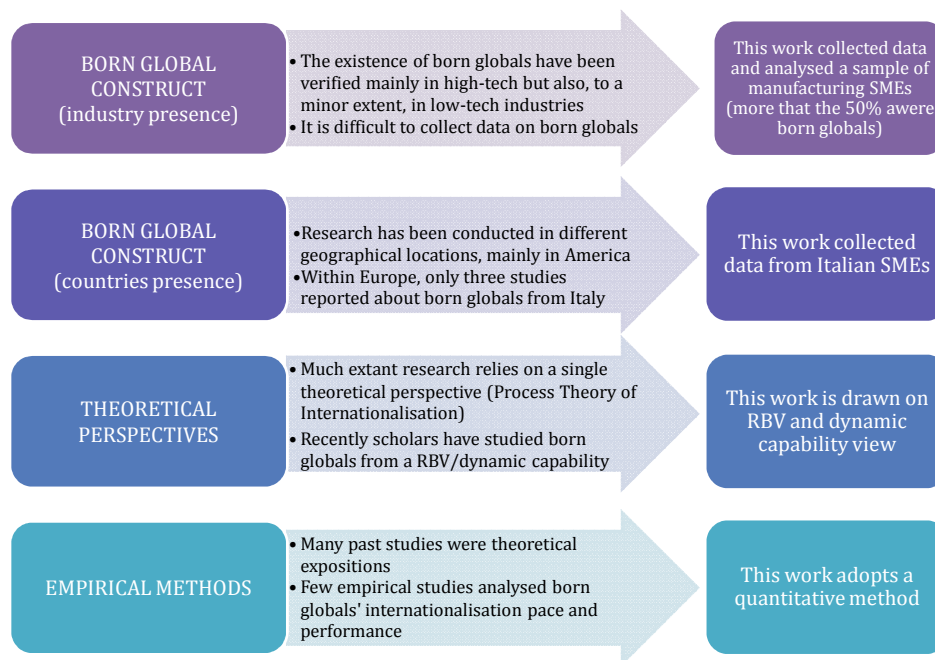
- ☛ Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?
- ☛ Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?

Starting from these limitations and suggestions, this work fills some of the literature gaps identified in the field and contributes to the advances of the research in this area. Firstly, it aims to contribute to a better conceptualisation and understanding of the born global phenomenon by developing an integrative model of the literature on distinctive organisational capabilities that have been advanced to explain why certain firms follow an early and accelerated internationalisation process, while others adopt a traditional approach to internationalisation. Secondly, it sets out to advance the knowledge on born globals by exploring the factors influencing their emergence in manufacturing sectors, a largely understudied context in IE. In fact, many past studies reported on born globals mainly in high-tech industries (Crick and Spence 2005;

Loane and Bell 2006; Manolova et al. 2010) and very few studies focused on more traditional sectors (Gabrielsson et al. 2008a; Evers 2010). Finally, there has been limited research exploring the role of firm-specific variables on born global internationalisation (Rialp et al. 2005a; Weerawardena et al. 2007). Only a few studies have compared the influence of these factors on the probability of experiencing early and rapid internationalisation or following a traditional internationalisation process (Rialp et al. 2005b; Jantunen et al. 2008; Tuppuru et al. 2008). These studies are lacking mainly among manufacturing SMEs. These general research questions are divided into six sub-hypotheses, each relating a greater occurrence of each specific capability to a higher probability of choosing a born global internationalisation path rather than a traditional one. Additionally, this thesis tests if organisational capabilities lead to firm performance in global markets and, specifically, if born globals perform better than traditional exporters.

The following sections will briefly detail these capabilities. Research hypotheses will be derived from research questions and then they will be defined. Figure 4.1 introduces and links the identified literature gaps to the research questions and hypotheses of this thesis.

Figure 4.1 – Linking literature gaps to research questions



Source: author's personal elaboration

4.2. Internal organisational capabilities and their relationships to internationalisation

As the literature confirms, organisational capabilities are positively related to international growth and performance. Although it would be impossible to list them all, certain categories of capabilities common to many organisations have been identified and used in prior research (Day 1994; DeSarbo et al. 2007). This section presents the previously outlined classification of international entrepreneurial orientation, international market knowledge, international marketing and international networking capabilities and their relationships with the internationalisation process.

International entrepreneurial orientation. The key role played by the attitude of the entrepreneurs/managers in relation to international strategy has been widely recognised and emphasised in the literature (McAuley 1999; Knight 2000; Moen 2002; Chetty and Campbell-Hunt 2003; Luo et al. 2005; McDougall et al. 2003; Evangelista 2005). In general, born globals are “entrepreneurial companies”. Proactive managers with a strongly entrepreneurial, global or geocentric mindset usually drive these companies. A range of overlapping terms captures the attitudinal characteristics of the entrepreneur/management. “Global orientation” refers to a positive attitude toward international affairs, commitment to international markets, international vision and proactiveness. “International entrepreneurial orientation” refers to the behavioural elements of a global orientation and captures top management’s propensity for risk taking, innovativeness and proactiveness. “International outlook” refers to top management’s perception of the difference between home and foreign markets and it is mainly related to the concept of psychic distance (Nummela et al. 2004b). “Entrepreneurial proclivity” (Zhou et al. 2010; Zhou 2007) is defined as the firm’s predisposition to engage in entrepreneurial processes, practices and decision making, characterised by its organisational culture for innovativeness, risk taking and proactiveness. “Entrepreneurial capital” is a combination of human (competences and global mindset) and social capital that together enables the entrepreneur to envision the future, recognise opportunities, pursue and mitigate risks, leverage, combine unique resource bundles and demonstrate tenacity in exploiting a given opportunity and allows them to be alert to

internationalisation (Zhang et al. 2009). In the context of internationalisation, all these terms are adopted by extending the conceptual domain to the processes and activities across national borders. This work will use the common term international entrepreneurial orientation in order to describe this generalised concept. In sum, international entrepreneurial orientation is a prerequisite to early and rapid global expansion (Nummela et al. 2004b; Loane et al. 2007). Top management in born globals tend to view the world as their marketplace from the outset of the firm's founding (Knight and Cavusgil 2004). Unlike many traditional companies, managers typically do not see foreign markets as simple adjuncts to the domestic market. Because "top managers can greatly influence the organisation as a direct result of their attitudes, through their decisions, values and vision, it is important to understand the impact of top managers' collective attitudes on a variety of organisational outcomes" (Caligiuri et al. 2004, p. 850) and their effect on a firm's internationalisation (Loane et al. 2007). Madsen and Servais (1997) asserted that born globals perceive foreign markets as providing opportunities rather than obstacles, or generally speaking, "to be global, one must first think globally" (Oviatt and McDougall 1995, p. 35).

International market knowledge capability. Market knowledge capability is defined as the capacity of the firm, relative to its competitors, to acquire, disseminate, unlearn and integrate market information to create value activities. International market knowledge capability is characterised by the acquisition and dissemination of market information. It also involves unlearning, which is the review of unsuccessful knowledge-based practices and the communication of the lessons for improvement widely within the firm (Day 1994). It focuses on the ability to integrate market information into actionable knowledge that management can use for its goals in international markets (Knight and Liesch 2002). Closeness to markets and customers is conducive to early and rapid internationalisation (Knight 2001) and, thus, born globals often focus on their markets in order to acquire, disseminate and integrate market information to optimise value-adding activities. As success requires the development of specialised knowledge of the markets, many researchers stated that the most successful born globals will acquire and maintain an international market knowledge capability. Given a fundamental activity of entrepreneurship is not only to

create products ahead of competitors, but also to create them ahead of the recognition of an explicit need by customers, international market knowledge is an important characteristic of entrepreneurial firms (Weerawardena 2003a).

International marketing capability. Marketing capabilities have been defined by researchers from different perspectives. According to Blesa and Ripollés (2008), marketing capabilities are firm specific and provide superior market-sensing, customer-linking and channel-bonding capabilities. As a consequence, it can be a key to success in global markets. Song et al. (2008) emphasised that marketing capabilities include knowledge of the competition and of customers and skill in segmenting and targeting markets, in advertising and pricing and in integrating market activity. Furthermore, Morgan et al. (2009) argued that marketing capabilities are concerned with the processes of marketing strategy development and execution. According to Brondoni (2007) and Lambin (2008a), marketing is the conduit through which companies interact with their global markets, the mainstay of a firm's existence. As Day (1994) pointed out, international marketing capability is defined as integrative processes designed to apply the collective knowledge, skills and resources of the firm to the market-related needs of the business. Based on this previous research, international marketing capability is the firm's ability to develop and execute marketing strategies, using knowledge of competition to create superior value, via key marketing elements, for foreign customers (Cavusgil and Zou 1994). Strong international marketing capabilities create specific marketing-related strategies aimed at overcoming these challenges and maximising performance. Distinctive marketing capabilities enable a firm to outperform competitors by reaching target markets effectively. Although competing firms may focus on similar market needs, the idiosyncratic way in which each firm integrates knowledge creates unique and potentially different ways of solving similar customer needs (Vorhies and Harker 2000). International marketing capability captures the firm's capacity to formulate effective marketing mix strategies (Weerawardena 2003b), which are critical to identify and access international opportunities. Summarising, born globals build and nurture distinctive marketing capabilities that allow them to access and penetrate effectively and rapidly multiple markets.

International networking capability. International networking capability refers to firms' ability to obtain resources from the environment through alliance creation and social embeddedness to use in its activities in foreign markets (Granovetter 1985; Gulati 1998). Networking is one of the major strategies pursued by entrepreneurial firms in order to gain access to resources and cope with environmental uncertainty and impediments in their operations (Alvarez and Barney 2001). Several scholars noticed that born globals typically leverage networking capability to facilitate early and rapid internationalisation and achieve success in global markets (Bell 1995; Coviello and Munro 1995). Since born globals suffer from resource limitations compared with the necessity of reaching world markets (Oviatt and McDougall 1994), they are relatively vulnerable to the competitive activities of larger rival companies and other contingencies in the markets where they do business. In this regard, they must often collaborate with partners that have complementary resources (Oviatt and McDougall 1994; Gabrielsson and Kirpalani 2004). Many scholars considered networking as the most important means of overcoming resource constraints (Chetty and Wilson 2003; Coviello and Cox 2006). By interacting with international network actors and developing relationships, born globals can exploit and enhance their own resources and benefit from those of others. Hence, born globals can globalise their activities by using their activity links, resource ties and actor bonds (Laanti et al. 2007). Networks often are critical in providing the type of information that contributes to lowering risk and uncertainty inherent in international operations and they facilitate the acquisition of knowledge and the development of complementary resources (Nerkar and Paruchuri 2005). Such networks contribute to the success of firms by helping to identify new market opportunities and contribute to building market knowledge (Chetty and Blankenburg-Holm 2000; Coviello and Munro 1995). In addition, companies could learn through networks. Firms can gain access to new knowledge bases created by other firms through partnerships and network relationships, without precisely having to go through all of their experiences. At its best, collaboration may offer a faster track to international markets (Saarenketo et al. 2004). Building and maintaining relevant, superior and effective networks are an integral part of a successful internationalisation process (Liesch et al. 2002), particularly in garnering the complementary resources that are critical for accelerated internationalisation. Therefore, networks can compensate for the lack of

resources that SMEs own and directly control (Coviello and Cox, 2006). Where they exist, social and business networks are a valuable resource for born global firms (Coviello and Munro 1995; Coviello 1997; Chetty and Blankenburg-Holm 2000; Blomstermo et al. 2004). Thus, SMEs are able to speed up internationalisation with improved access to and acquisition of external resources, foreign experiential knowledge and foreign networks (Yli-Renko et al. 2002; Arenius 2005; Coviello and Cox 2006).

Summarising, the theory postulates that different organisational capabilities determine the direction of a firm's international growth and the subsequent performance on global markets. Hence, the following hypotheses are derived from the first research question (RQ1 - Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?):

- Hypothesis 1- The higher the international entrepreneurial orientation of the management, the higher the likelihood of a firm to be classified as born global
- Hypothesis 2- The higher the international market knowledge capability, the higher the likelihood of a firm to be classified as born global
- Hypothesis 3- The higher the international marketing capability, the higher the likelihood of a firm to be classified as born global.
- Hypothesis 4- The higher the international networking capability, the higher the likelihood of a firm to be classified as born global

4.3. Internal organisational capabilities and their relationships with international performance

As discussed in existing literature, organisational capabilities may enhance a firm's performance in the global market. Based on RBV and dynamic capability perspectives, it is believed that the afore-mentioned organisational capabilities should have a positive effect on the firm's global market performance. Therefore, one may expect this positive finding. In addition, researchers demonstrated that the precocious and accelerated internationalisation of a born global is expected to influence its performance. Earlier research suggests that as firms expand into new foreign countries, they can leverage their skills and products over a broader array of markets

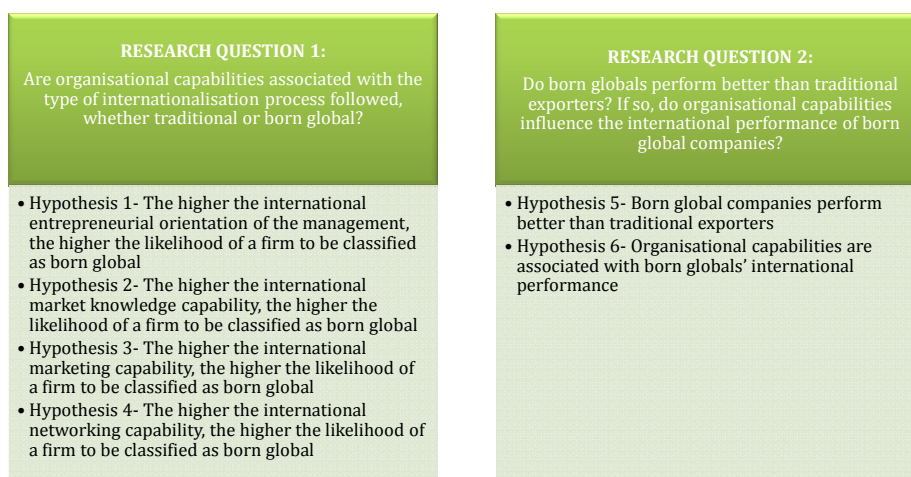
and thus increase their growth and profitability (Zahra et al. 2000; Gabrielsson et al. 2008a). Miller and Shamsie (1996) observed that in increasingly dynamic and turbulent environments, knowledge-based resources and capabilities contribute most to firm performance. Kuivalainen (2003) posits that firms may be repositories of knowledge. Firms which are internationally able to both create and manage knowledge, which is valuable, rare and difficult to substitute by others, are able to increase their value and strengthen their competitive advantage (Kuivalainen 2003). In addition, literature has proposed that the afore-mentioned classification of dynamic capabilities (i.e. international entrepreneurial orientation, international market knowledge capability; international marketing capability and international networking capability) may affect also the international performance of born global companies, but these studies remain exceptions to the rule.

From these perspectives, this thesis postulates the following research hypotheses, deriving from the second research question (RQ2 – Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?):

- Hypothesis 5- Born global companies perform better than traditional exporters
- Hypothesis 6- Organisational capabilities are associated with born globals' international performance

Figure 4.2 summarises the research hypotheses derived by the respective research questions.

Figure 4.2 – Research questions and the respective research hypotheses



Source: author's personal elaboration

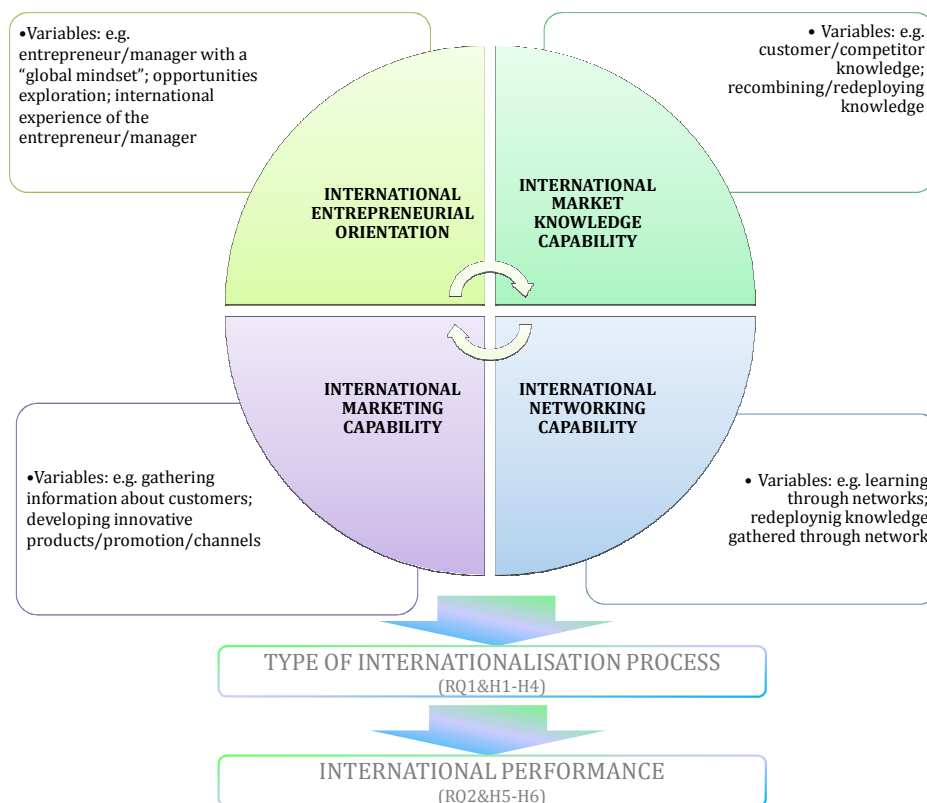
Synthesis and conclusions

Starting from some literature gaps, contrasting literature findings and concerns regarding born globals, Chapter 4 illustrated the research questions and the research hypotheses of this PhD thesis. Adopting a RBV and dynamic capability perspectives, this PhD dissertation aims at studying the effects of internal organisational capabilities, especially international entrepreneurial orientation, international market knowledge capability, international marketing capability and international networking capability on internationalisation process and performance of SMEs. As extant literature confirms, these capabilities may accelerate the global expansion of SMEs and their performance on global markets. Nevertheless, only in very limited cases did scholars report on the positive impact of these capabilities on performance in global markets.

It is also interesting to notice that organisational capabilities are more complementary and synergistic than conflicting. In fact, they share many similarities and show considerable synergies and overlap. For example, recent research has found that firms with a strong international entrepreneurial orientation appear to be more inclined to leverage marketing strategies when entering new product markets and coping with more complex environments (Knight 2000). Networking capability

has a strong effect on international entrepreneurial orientation and it plays an important role in knowledge sharing and learning. Particularly, international networking and international market knowledge capabilities seem to overlap. In fact, companies often learn through networks (Saarenketo et al. 2004). Figure 4.3 below presents the suggested research model. It summarises the different analysed organisational capabilities and gives an overview of some variables used to measure these concepts.

Figure 4.3 – The research model



Source: author's personal elaboration

CHAPTER 5 – RESEARCH METHODOLOGY

*“Ideas must be subjected to the rigours of testing before they can be considered knowledge”
(Bryman 2004)*

Introduction

The term methodology refers to the theory of how research is undertaken, that is, it refers to the overall approach to the research process, from the theoretical underpinning to the collection and analysis of data (Saunders et al. 2009; Collis and Hussey 2003). According to Silverman (1994, quoted in Collis and Hussey 2003, p. 55) “like theories, methodologies cannot be true or false, only more or less useful”.

Prior to commencing the empirical aspects of the thesis, this Chapter 5 discusses the research process followed in order to be able to respond to the research objectives and research hypotheses of this dissertation (see, please, Chapter 4). This Chapter follows a straightforward structure. Firstly, it begins by clarifying the main research objectives and the research process of the dissertation (Section 5.1). Then it explains and justifies the positivistic philosophical stance of this thesis (Section 5.2); the philosophical paradigm (sub-Section 5.2.1); the type of research methodology and the research approach chosen for this dissertation, namely, quantitative method (sub-Section 5.2.2). The discussion draws on the academic research on research philosophy and methodology in social sciences and, where available, in general management and in IE literature. After, it presents the methodological design of the quantitative phase of the study, that is, the procedures followed for the collection of the data, the development of the measurement instrument and the analysis of the quantitative data (Section 5.3).

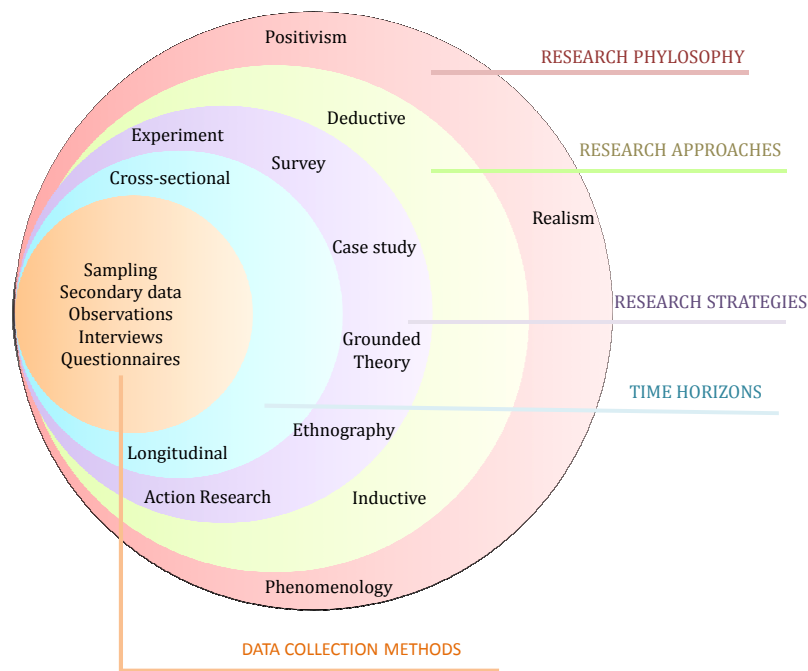
5.1. Research objectives and research process

A clear formulation of the research topic, which leads on setting the research questions, is the initial starting point for any research project and it is probably the most difficult stage of the entire research process (Hussey and Hussey 1997;

Saunders et al. 2003). Once this stage has been clarified and identified, the researcher would be able to choose the most appropriate research design, the data collection method and the analysis techniques (Saunders et al. 2003). In other words, the researcher needs to clarify his/her thoughts at the outset of the research process as unclear objectives often reduce the potential success of his/her project (Saunders et al. 2003). Bringing together notions from different field of studies, but heavily drawing on the RBV of the firms, the main objective of this dissertation is to shed light on the relationship between organisational capabilities and internationalisation at a firm-level. In particular, this work examines the influence of some capabilities (namely, international entrepreneurial orientation, international market knowledge capability, international marketing capability and international networking capability) on the internationalisation process and international performance of a sample of Italian manufacturing SMEs. Past studies analysed the role of the organisational capabilities on internationalisation process and performance with contradictorily findings (as discussed in Chapter 3 and Chapter 4). As suggested by Bryman (2004), the formulation of research objectives is a crucial issue and it comes prior to the formulation of the right research methodology.

Saunders et al. (2003) described the research process as an onion that needs to be peeled away (Figure 5.1). Having in mind the research process “onion” proposed by the Authors, the next sections deal with the discussion of the research philosophies and the research approaches.

Figure 5.1 - The research process “onion”



Source: Saunders et al. 2003, p. 83

5.2. Philosophical stance and research methods

Although particular theoretical issues concerning research philosophy and methodology are essential to the account of the methodological rigour of a study, they are not always clarified in research reports (Hurmerinta-Peltonmäki and Nummela 2009; Piekkari et al. 2009). Those theoretical issues concern the choice of philosophical stance, research methodology and specific research methods. Research philosophy directly influences research methodology. The former affects judgments about the nature of the phenomenon under investigation, the relationship between the researcher and the research phenomenon and the conduct of the research methodology (Guba and Lincoln 1994). On the other hand, the theoretical underpinnings of research methodology shed light on how the empirical evidence can answer the research questions; they particularly shed light on the type, sources and the interpretation of evidence (Easterby-Smith et al. 2001). It furthermore assists the evaluation of the advantages and limitations of alternative methodological choices available to the researcher (Ghauri and Grønhaug 2005). Overall, the theoretical underpinnings of research philosophy and methodology help the researcher to be creative and innovative with either the selection or adaptation of research methods. Consequently, the justification of the philosophical and the methodological stances is

considered an integral part of the general methodological account of a research study (Saunders et al. 2003). The methodological account of this research therefore starts with its philosophical and methodological underpinnings. The next subsection addresses the issue of philosophical paradigm.

5.2.1. Philosophical paradigm: Positivism

This research pursues a positivist approach, which is one of the two influential philosophical schools of thought in the business and management field; the other one is constructivism. If philosophical paradigms were viewed in a continuum with positivism and constructivism constituting its two ends (Healy and Perry 2000), the philosophical stance of this research would lie towards positivism. Positivistic tradition has dominated scientific inquiry in the last centuries, including social science research, on the grounds of methodological robustness (Gabriel 1990; Kidd 2002; Podsakoff and Dalton 1987). It has accepted criticisms as well; as a result, basic positivistic assumptions have been re-examined. The philosophical stance of this research falls into the general positivistic tradition but it also draws on those recently reviewed assumptions.

The philosophical choice of positivism reflects this researcher's ontological, epistemological and methodological principles, which guide this study. Any philosophical paradigm stands for the worldview that for its holder defines the nature of the reality (ontology), the relationship between the reality and the researcher (epistemology) and the process that the researcher conducts to investigate that reality (methodology) (Guba and Lincoln 1994). Guba and Lincoln (1994) noted that it is not possible to prove the definitive truthfulness of any philosophical paradigm; if it were possible, the philosophical debates would have been resolved millennia ago. Therefore, the ontological, epistemological and methodological beliefs, which are the differentiating principles among paradigms, simply mirror the researcher's worldview and should be accepted on faith, however well argued. The ontology, epistemology and methodology of this research are discussed below (Table 5.1). Positivism has a realistic ontology and argues that reality is objective and tangible (Hirschman 1986; Cohen 1994; McClelland 1997; Nancarrow et al. 2001). The research objects of positivistic reality are discrete and classifiable. This assumption gives rise to variable-oriented research. Accordingly, the

key notions in this study are internationalisation pace, international performance and organisational capabilities. Furthermore, ethic, cause and-effect laws and mechanisms (Anderson 1986; Creswell 2003; Jean Lee 1992; Neuman 2003) govern reality in positivism. In this research, the effects of organisational capabilities on internationalisation process and performance are the mechanisms under investigation.

As far as epistemology is concerned, the positivist researcher is traditionally objective and independent of the research objects. The epistemological belief that has been criticised by constructivists is that positivistic findings are true and universally valid (Guba and Lincoln 1994). This assumption has been also disconfirmed by the falsification of prominent theories in diverse scientific disciplines. The revision of this argument suggests that positivistic findings are subject to falsification, while resultant causal laws and mechanisms are not universally valid; however, replicated findings are probably true.

The positivistic methodology is considered mainly quantitative, but it also embraces qualitative methods. Theory testing, through quantitative data collection and data analysis techniques, is central (Layder 1993). This study is mainly quantitative in nature and tests the hypotheses developed. Additionally, in positivism, major quantitative data collection techniques include quantitative experiments and surveys that are analysed statistically. This research conducts a survey, whose findings are analysed statistically. Accuracy and reliability is achieved through statistical tests of validity and reliability in quantitative methodology.

The Table 5.1 below summarises the ontological, epistemological and methodological assumptions of this study and provides a complete account by presenting the respective constructivistic assumptions.

Table 5.1 - The basic assumptions of the positivist philosophical stance as opposed to constructivism

Assumption	Positivism in this study	Constructivism
Ontology What is the nature of reality?	Realism Reality is objective and tangible Research objects are discrete and classifiable Reality is governed by etic, cause-and effect laws and mechanisms	Relativism Reality is subjective and intangible Reality consists of multiple, apprehendable and emic mental constructions
Epistemology What is the relationship between researcher and research object?	Findings are not universally valid and are always subject to falsification Replicated findings are probably true	Researcher interacts with research participants Dialectic and subjectivistic Constructions are not true but more or less informed and sophisticated
Methodology What is the process of research?	Quantitative, hypothesis development Quantitative survey Statistical analysis of the findings Hypothesis testing Accuracy and reliability through statistical tests of validity and reliability	Qualitative, inductive and theory building Hermeneutical/ dialectical logic that leads to more informed and sophisticated consensus construction than the antecedent ones, including the researcher's etic construction Accuracy and reliability through checking, verification and triangulation at the data collection, analysis and reporting stages of research

Source: author's personal elaboration

The philosophical assumptions, the type of research methodology and reasons for using specific method(s) should be discussed adequately in every piece of research as inconsistencies in methodological practices are often found (Piekkari et al. 2009). This section explained and justified that the philosophical choice of positivism reflects this researcher's ontological, epistemological and methodological principles that guide this study. The following section discusses the type of research methods and the selection of a quantitative approach.

5.2.2. Type of research methods

When scholars develop knowledge that is based on an accumulated body of previous research, there is frequently a debate about alternative methods of analysis. Quantitative and qualitative research are distinguished on the basis of the objectives of each approach, the nature of the data collected and the ways they are analysed (Van Maanen 1988). Quantitative research provides answers to "what" questions (Yin 2003). It mainly allows prediction and generalisation through confirming or falsifying

predefined hypotheses. Quantitative methods are appropriate for researching large populations since the nature of the data collected is numerical or it is converted into numerical format. Thus, the hypotheses are chiefly examined by using statistical data analysis techniques. On the other hand, qualitative research primarily addresses “how” and “why” questions (Yin 2003). It mostly focuses on processes and dynamic phenomena rather than on structures and static phenomena as in the quantitative inquiry (Leavy 1994). Whilst quantitative approaches emphasise prescription and prediction, in qualitative research the emphasis tends to shift to description and explanation (Yeung 1995). The data are contextual and are chiefly analysed and interpreted qualitatively to generate theory (Coviello and McAuley 1999; Curran and Blackburn 2001). Nevertheless, qualitative findings are often criticised for being subjective and context-bounded and, therefore, having limited generalisability (Hurmerinta-Peltomäki and Nummela 2009).

Cochran and Dolan (1984) have also related differences between exploratory (qualitative) and confirmatory (quantitative) analysis. According to Sullivan (2001) the distinction between qualitative and quantitative approaches depends primarily on two factors: the state of our knowledge of a particular research topic and the research’s assessment regarding the nature of the phenomenon being studied. Specifically, when there is little theoretical support for a phenomenon, it may be impossible to develop a precise hypothesis, research questions or operational definitions. In such cases, qualitative research is appropriate because it can be more exploratory in nature. Consequently, quantitative and qualitative research methods are often viewed as competing. However, they “are not mutually exclusive” (Van Maanen 1979, p. 520). It is thus suggested that quantitative and qualitative research methods can be used jointly in the same research (Creswell 2007; Newman et al. 2003; Patton 1990).

With respect to the empirical setting of this research, it is often argued that quantitative research has prevailed traditionally in SMEs research (Chetty 1996; Curran and Blackburn 2001; Fillis 2001). Although both qualitative and quantitative methods could contribute to this dissertation, the nature of the research topic dictates the choice of methods used. Qualitative methods are less appropriate here because they are usually used to construct theories. Although qualitative methods have an advantage in that they recognise the complexity and embeddedness of social

truths, this dissertation tests hypothesis and infers from this the relationships in international entrepreneurial Italian SMEs. Moreover, quantitative methods allow us to generalise the theoretical results in other countries and industries. Thus, this dissertation adopts quantitative sampling as the research approach. Recent studies confirm that quantitative methods are more adept at describing and comparing the internationalisation patterns among SMEs (Hagen 2010; Dib et al. 2010; Jantunen et al. 2008; Tuppuru et al. 2008).

This section briefly reported the main features and perspectives of the two types of research approaches, namely, quantitative and qualitative. This paragraph aims at describing only the main features of every method and explaining the choice of the quantitative one. Table 5.2 below presents a comparison among the aforementioned research methods.

Table 5.2 - Quantitative, mixed and qualitative research methods

	Quantitative Methods	Qualitative Methods
Objectives	Provide answers to “what” questions; primary focus on structures; topic-related and/or knowledge-based objectives; prescription and prediction; main research design: theory-testing of predefined hypotheses	Addresses “how” and “why” question; primary focus on processes and dynamic phenomena; topic-related and/or knowledge-based objectives; description and explanation; main research design: theory generation through in-depth understanding of the phenomenon under study
Nature of the data and data analysis methods	Number-based data; use of statistical data analysis techniques; fixed response options; less depth but more breadth of information from a large population; sampling: random and deliberate	Text-based and contextual data; data analysis and interpretation but no statistical tests; unstructured or semi-structured response options; more in-depth information from a few research units; sampling: purposeful
Common research methods	Experiment; survey	Interviews; participant/non-participant observation; case study
Quality	Validity and reliability mainly depends on the measurement instrument; reliability: internal and external; validity: construct, context	Validity and reliability mainly depends on researcher’s skills; construct validity, confirmability, internal validity/credibility, external validity/transferability, reliability/dependability

Source: author’s personal adaptation from Bryman (2004)

5.3. Quantitative phase

5.3.1. Research process and data collection

The data collection process started in June 2010 and ended in December 2010 as a part of the research project carried out by the University of Pavia in collaboration with the University of Queensland under the working title “*Foundation and Development of SMEs Firms Earning Revenue from Abroad*”. The research instrument,

a ten-page questionnaire, mainly based on five-point Likert scales, was developed by the Australian research team based on the most important literature in the field of IE, IB and International Marketing. The Likert scale is essentially a multiple indicator or item measure for a set of attitudes relating to a particular area. The goal of the scale is to measure intensity of feelings about the area in question (Bryman 2004). This is a common approach and it widely used within the IE field and born global analyses (Knight and Cavusgil 2004; Zhang et al. 2009; Zhou et al. 2010). The main advantage of their use is a recognition that a single indicator might incorrectly classify due to misunderstanding/wording etc. and that one indicator may capture only a portion of the underlying concept or be too general (Bryman 2004). Moreover, five/seven point Likert scales are mainly used to minimize executives/managers' response time and effort (Knight and Cavusgil 2004; Jantunen et al. 2005).

The definitive English version of the questionnaire was translated into Italian. The measures of the questionnaire were based on widely used scales in the literature and published in leading Journals. Some scale measures were then subsequently adapted to fit the purposes of this research.

To test the model we decided to perform a cross-sectional survey. In particular we selected a sample of Italian manufacturing SMEs belonging to the most representative industries for the Italian economy (metal products and machinery equipment; furniture; chemicals and food). In particular, to identify SMEs, we first followed the statistical definition of SMEs of the European Union (2005), according to which SMEs employ fewer than 250 persons. Thus, a random sample representative of the manufacturing SMEs sector was drawn from the official database of the Italian Chambers of Commerce. Following the overall research goal, the target population was defined as Italian based SMEs involved in exporting activities. As many studies confirm, export constitutes the preferred way of internationalisation for SMEs (Cassiman and Golovko 2011; McAuley 1999).

Self-completion questionnaire was used for data collection. Self-administered questionnaires are less costly, quicker to administer, do not suffer interviewer bias and present convenience for respondents because they can complete the questionnaire when they want and at the speed that they want to go (Bryman 2004). A covering letter explained the scope of the study, why it was important and why the recipient had been selected. Confidentiality was guaranteed and an executive study

report was offered in case of interest. The questionnaire was addressed to high-level decision-makers (e.g. C.E.O., Chairman, Managing Director or General Manager), who know the history and the international performance of the company. Targeting the high-level decision makers is a convention of SMEs, because they should provide reliable data on the issues under investigation.

In total, we received 253 questionnaires back. The majority of non-respondents gave their shortage of time and the length of the questionnaire as the major reasons for non-response (the original questionnaire had over one hundred scale items), while other companies revealed their lack of interest about the topic or other reasons for their reluctance to reply (for example new manager, bankruptcy of the company etc...). In almost all cases, informants provided their personal details, including job title, mail address and phone number. Some companies were recalled in order to recover key missing information (namely the percentage of revenue earned from abroad over the first six years, the year of foundation and the year of the first export activity) or to clarify contradicting information. As past studies confirmed, managers are generally reluctant to disclose performance figures on foreign activities even when confidentiality is assured (Dimitratos et al. 2010). Lastly, it is worth reminding that there are some missing data in the sample of 253 observations of the survey: in fact, 214 questionnaires were considered usable by the research team. Unfortunately, after committing a significant amount of time and effort, answers were elicited only for some queries; whilst 39 out of 253 responses were excluded.

The validity and the reliability of the results were secured by several means. Firstly, the questionnaire was targeted at managing directors, who are considered the most knowledgeable informants regarding internationalisation issues in SMEs. Then, in line with previous studies, this work tested the reliability of the scales through statistic methods (see, please, the next sub-Section 5.3.3).

5.3.2. Operationalisation of variables

Operationalisation of a theoretical concept means making it measurable and translating it to the language of the data source(s) (for example, survey respondents or interviewees) so that valid and reliable data can be collected. Operationalisation is necessary because a theory is not directly observable (Van de Ven 2007). This section discusses the assessment of the construct measures. Constructs can be defined

conceptually but cannot be measured directly and perfectly. Specific scale items or questions typically measure them approximately. The constructs of this study are firms' *organisational capabilities*, *internationalisation precocity*, *internationalisation speed* and *international performance*. This paragraph explains the operationalisation of the core organisational capabilities variables. Regarding the operationalisation of the internationalisation precocity, speed and performance constructs, please, see the next Section 6.2.

Measures for core organisational capabilities are purely summated scales formed from the statements included in the survey. The key idea behind the statements (which were measured with Likert scale items, 1=completely disagree; 5=completely agree) was to uncover managers' perceptions of the firm level capabilities in comparison to their competitors as they should be relevant for international strategy formulation (Andersen and Kheam 1998). For example, the *international entrepreneurial orientation* scale captures the extent to which the firm's strategic leaders are proactive, innovative and risk seeking regarding global activities. The *international market knowledge capability* measures the extent to which market, customer and competitor knowledge is acquired, disseminated, unlearned and integrated into value creation activities of the firm. The *international marketing capability* scale refers to the firm's ability to create value via key marketing elements and gather information among foreign customers and competitors. In the section related to *international networking capability*, the statements measure the extent of knowledge acquired by firms through networks. High scores in this scale indicate that the respondents evaluate the organisational capabilities as important for their companies' internationalisation.

5.3.3. Evaluation of construct measures

This section discusses the assessment of the construct measures. Constructs can be defined conceptually but cannot be measured directly and perfectly. They are typically measured approximately by specific scale items or questions. Content validity and internal consistency are fundamental to the evaluation of construct measures (Hinkin 1995; Schmitt and Klimoski 1991). Both conditions are often, albeit not always, examined in management studies (Hinkin 1995; Peter and Churchill 1986). Validity and internal consistency are distinct but interrelated conditions (Hair

et al. 2010). Validity refers to the extent to which items of a construct measure accurately the concept under study (Carmines and Zeller 1979; Peter 1979). Internal consistency encompasses unidimensionality and reliability (Bagozzi 1980; Venkatraman and Grant 1986). Assessing unidimensionality ensures that a set of two or more scale items measure only one underlying concept; while reliability pertains to the relationship between observed and true scores (Cronbach 1951; Nunnally and Bernstein 1994). Following Venkatraman (1989) and Venkatraman and Grant (1986), this section addresses the evaluation of the construct measures focusing on content validity; internal consistency, which encompasses unidimensionality and reliability and convergent validity. An important remark is that statistical analysis were carried out using Stata¹.

Content validity. Content validity relates to the extent to which the scale items of a construct correspond to a specific domain of content (Nunnally and Bernstein 1994). Since extant literature has extensively examined all the constructs of this study, it was easy to identify and select the respective widely used scales. Lastly, renowned Academics and executives screened and edited the items of the questionnaire in the pre-testing phase (Hambrick 1981). Thus, this confirms the validity of the items selected for the scales.

Internal consistency. Internal consistency encompasses two associated concepts, namely, unidimensionality and reliability. Unidimensionality refers to the extent to which all the items of a scale measure one underlying construct, usually tested by confirmatory or exploratory factor analysis (Venkatraman and Grant 1986). Reliability pertains to the relationship between observed and true scores of a measure, mainly discussed in terms of “coefficient alpha” (Cronbach 1951; Nunnally and Bernstein 1994). This section presents and discusses the factor analysis and the coefficients alpha for the multi-item constructs of the study. Before that, these issues are briefly clarified.

¹ Stata is a statistical software package. It is used by many businesses and academic Institutions around the world. Most of its users work in research, especially in the fields of economics, sociology, political science, biomedicine and epidemiology (for more detailed information about how the software works, please, see Baum 2006).

As far as the definition of reliability is concerned, Churchill (1979) explains that a measure is reliable to the extent that independent but comparable items of the same construct are consistent. In general, in all social sciences, unreliable measurements of people's beliefs or intentions will obviously hamper efforts to predict their behaviour. The issue of precision of measurement will also come up in applied research, whenever variables are difficult to observe. For example, in this thesis, reliable measurement of organisational capabilities is usually a difficult task; yet, these capabilities may be obviously a necessary precursor to companies' early/rapid internationalisation and performance, as past literature has confirmed. If a measure is perfectly reliable, random error that affects the observed score of the measure, such as error due to temporary personal factors of the respondent, will be non-existent. Reliability consequently depends on the extent to which the difference between the observed and true scores of a measure is ascribed to random error. Commonly assessed through *Cronbach's alpha*, reliability is the most frequently reported measure for assessing multi-item constructs in management studies as it is quite simple to estimate (Peter and Churchill 1986). Cronbach's alpha ranges from 0 to 1; the greater the value of alpha, the higher the internal consistency for the index. In other words, if all items are perfectly reliable and measure the same thing (true score), the coefficient alpha is equal to 1. With respect to the cut-off for Cronbach's alpha, although there is no agreement in the literature, the generally applied acceptability limit for Cronbach's alpha has the value 0.7 (Hair et al. 2010). For instance, Hinkin's (1995) meta-analysis found reliability lower than 0.7 and were as low as 0.55 in thirty-two (12 per cent) out of over two hundred measures reported in leading academic Journals. Recently, Kuivalainen et al. (2010) considered 0.7 a good value for the Cronbach's alpha. Therefore, an alpha coefficient ranging between 0.6 and 0.7 can be deemed as an acceptable reliability level for management studies. Values substantially lower indicate an unreliable scale. The measure scales included in this study met the reliability criteria (Table 5.3). In all cases, Cronbach's alpha values (reported in the right-most column) were highly above 0.7 and it certainly indicates good reliability. These findings suggest that the scales used are reliable.

Table 5.3 - Descriptive information and reliabilities of the applied measures

Constructs	Number of observations	Number of Items	Items Mean	Cronbach's Alpha
International entrepreneurial orientation	214	7	3.95	0.81
International market knowledge capability	214	8	3.70	0.82
International marketing capability	214	6	3.46	0.80
International networking capability	214	7	3.29	0.92

Source: author's personal elaboration

Turning to unidimensionality, it is usually tested by confirmatory (CFA hereafter) or exploratory factor analysis (EFA hereafter) (Venkatraman and Grant 1986). The choice between EFA and CFA is one of the traditional methodological debates (Hurley et al. 1997). In general, EFA is used for revealing the underlying structure of factors when there are no previous specifications on the number of factors and their loadings. On the other hand, CFA is used for examining an expected factor structure when there are a priori precise specifications (Venkatraman 1989). In other words, CFA requires a strong theory underlying the measurement model prior to data analysis (Williams 1995). On the other hand, CFA is often believed to be over applied and used when a simpler option would have been as or more appropriate (Brannick 1995). Moreover, Gerbing and Hamilton (1996, p. 71) observed that the most uses of CFA could be argued to be partly exploratory and partly confirmatory in the sense that the resultant model is derived in part from theory and in part from a re-specification based on the analysis of the model fit. In this data analysis, EFA was performed, whereas CFA analysis seemed to be a rather rigid method. Unidimensionality was thus explored rather than proved through CFA. In other words, EFA is a method that can be used for reducing the dimensionality of multivariate data and for understanding patterns of associations among variables (Lattin et al. 2003). EFA contributes to this dissertation because it is helpful for understanding the patterns of correlation in the data and identifying underlying traits or characteristics. Furthermore, this study is one of the few that investigates the role of the organisational capabilities in explaining the early and rapid internationalisation and their impact on international performance among SMEs. Since the transfer of those constructs to the context of this research is novel, it is more appropriate to explore rather than to corroborate their unidimensionality. To conclude, the role of EFA in this study was to verify the unidimensionality of the well-established multi-item scales that measured the respective constructs. EFA was also a

preliminary evaluation of the constructs in preparation for the hypothesis testing, which is the main objective of the quantitative phase (Conway and Huffcutt 2003). After justifying the choice and the role of EFA in this research, the EFA constituents are clarified:

- principal components analysis (PCA hereafter) as the factor extraction model;
- Kaiser's (1956) "eigenvalues greater than one" rule as the criterion for the number of components to retain;
- varimax orthogonal rotation as the method used to rotate factors to reach a more interpretable solution in case more than one factor is retained.

Before presenting the results, we briefly clarify these statistical concepts. PCA is a method for re-expressing multivariate data. If there is a substantial redundancy present in the dataset, then it may be possible to account for most of the information in the original dataset with a relatively small number of dimensions (Lattin et al. 2003, p.83). This dimensions reduction makes visualization of the data more straightforward and subsequent data analysis more manageable. In addition, the PCA's solution has the property that each component is uncorrelated with all others, which has the advantage of eliminating multicollinearity when researchers carry out many statistical analyses (e.g. regression analysis).

The considerations in the interpretation process of EFA results follow. The discussion begins with assessing the appropriateness of EFA for this data analysis by Bartlett's test of sphericity and the Kaiser-Meyer-Olkin (KMO hereafter) measure of sampling adequacy. Bartlett's test of sphericity is an indicator of the strength of the relationship among variables. In order to interpret correctly this coefficient, we have to look at the value reported in the right-most column. Bartlett's test is positive since it shows much higher values of correlation coefficient between the variables and a highly significant *p-value* (i.e., sig=0.000). Table 5.4 reports that all the variables respect these conditions. Therefore, it is possible to conclude that the strength of the relationship among variables is strong. It is a good idea to carry out a factor analysis for the data. Although large sample sizes make Bartlett's test more sensitive to revealing correlations among the measures (Hair et al. 2010), the KMO measures also confirm the appropriateness of EFA. The KMO measure of sampling adequacy is an

index for comparing the magnitudes of the observed correlation coefficients to the magnitudes of the partial correlation coefficients. Large values for the KMO measure indicate that a factor analysis of the variables is a good idea. For instance, Kaiser (1974) characterises KMO measures in the 0.90 as “marvelous”, in the 0.80 as “meritorious”, in the 0.70 as “middling”, in the 0.60 as “mediocre”, in the 0.50 as “miserable” and below 0.5 as “unacceptable”. Looking at the table below (Table 5.4), the KMO measure is higher than 0.8 for every variable. These values indicate that all the dependent constructs have “meritorious” KMO scores. Therefore, the use of EFA is more than appropriate for assessing construct unidimensionality in this study.

Table 5.4 - KMO measure and Bartlett’s test

Constructs	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	Bartlett’s Test of Sphericity		
		Approx. Chi-Square	df	Sig.
International entrepreneurial orientation	0.880	467.3	21	0.000
International market knowledge capability	0.858	508.7	28	0.000
International marketing capability	0.820	427.1	15	0.000
International networking capability	0.898	992.7	21	0.000

Source: author’s personal elaboration

As KMO and Bartlett’s test have shown, it is appropriate to carry out the PCA. The next step is to identify how many components should be retained. Several methods have been used in evaluating the number of components to be extracted in order to make a choice as correct as possible. These criteria have been studied in detail (for a review, please see Zwick and Velicer 1986; Keeling 2000). PCA, Kaiser’s (1956) “eigenvalues greater than one” rule and varimax-orthogonal rotation are found to be employed most frequently (Fabrigar et al. 1999; Ford et al. 1986; Hinkin 1995). Kaiser (1960) proposed this criterion and it is probably the one most widely used. In addition, varimax-orthogonal rotation is the most popular orthogonal rotation by far (Conway and Huffcutt 2003; Fabrigar et al. 1999; Song et al. 2008) and it permits to maximise the variance of squared loadings on a factor (Kim and Mueller 1978; Lattin et al. 2003). Finally, the unidimensionality of the constructs is evident and combined with high percentage of variance explained (around 50 per cent). In our analysis, using these three criteria, we retain one factor (principal components). This means that all items are perfectly related to the construct. The following Tables (i.e. Table 5.5, Table 5.6, Table 5.7 and Table 5.8) show the factor structure for every organisational capability.

Table 5.5 - Factor structure of the international entrepreneurial orientation

Items		Component 1
ieo1	Your firm saw the world, instead of Australia only, as its marketplace	0.77
ieo2	The organizational culture (collective value system) was conducive to active exploration of new business opportunities abroad	0.78
ieo3	Your firm continuously communicated the mission 'to succeed in international markets' to firm employees	0.80
ieo4	Your firm developed human and other resources for achieving its goals in international markets	0.74
ieo5	The top managers were experienced in international business	0.63
ieo6	From the beginning the firm marketed products or services in markets abroad	0.61
ieo7	The vision and drive of top managers were important in our decision to enter foreign markets	0.60
		% of Variance
		50.37

Source: author's personal elaboration

Table 5.6 - Factor structure of the international market knowledge capability

Items		Component 1
intmktkno1	Redeployed idle or decaying knowledge assets (people and equipment) to strategically important ones	0.60
intmktkno2	Proactively worked with lead customers to understand market needs	0.48
intmktkno3	Combined new knowledge generated from customers and competitors with existing market knowledge	0.66
intmktkno4	Used new knowledge from markets to resolve customer focused problems	0.68
intmktkno5	Recombined knowledge generated from markets in new ways to develop innovative products and solutions	0.77
intmktkno6	Transferred knowledge generated from markets to new projects and activities	0.76
intmktkno7	Redeployed the resources involved with unproductive market research projects to new or more productive uses	0.63
intmktkno8	Transformed knowledge generated from markets and applied this to new projects and activities	0.77
		% of Variance
		45.79

Source: author's personal elaboration

Table 5.7 - Factor structure of the international marketing capability

Items		Component 1
intmktg1	Sought viable international market segments that matched products and services marketed by it	0.59
intmktg2	Used promotional activities (e.g. advertising) of the firm to rapidly gain international market share/sales growth	0.61
intmktg3	Invested in building a strong international distributor network for effectively taking its products or services to targeted customers	0.56
intmktg4	Used its marketing resources and skills to effectively meet the value expectations of the targeted customers	0.83
intmktg5	Combined its marketing resources and skills more effectively to meet the customer needs	0.87
intmktg6	Recombined its marketing resources to meet changing customer expectations and competitor activity	0.79
		% of Variance
		51.41

Source: author's personal elaboration

Table 5.8 - Factor structure of the international networking capability

Items		Component 1
intnetw1	Used the new knowledge gained through networks to develop and refine the product or service concept	0.80
intnetw2	Used new knowledge gained through networks to resolve customer focused problems	0.85
intnetw3	Used new knowledge gained through networks to improve the enterprise	0.85
intnetw4	Recombined knowledge gained through networks in new ways to develop innovative products or services	0.87
intnetw5	Transferred knowledge generated through networks to new projects and activities	0.81
intnetw6	Redeployed the resources in unproductive network learning projects to productive ones	0.70
intnetw7	Transformed knowledge generated through networks and applied it to new projects and activities	0.83
		% of Variance
		66.83

Source: author's personal elaboration

Convergent validity. According to Bagozzi et al. (1991), items of the same construct must covary strongly if they are valid measures. Convergent validity can be assessed through correlation analysis (Venkatraman and Grant 1986). Before presenting the results, we briefly clarify these statistical concepts. Correlation is a measure of the relation between two or more variables. The most widely-used type of correlation coefficient is the "r" Pearson's coefficient. Correlation coefficients can range from -1 to +1. The value of -1 represents a perfect negative correlation while a value of +1 represents a perfect positive correlation. A value of 0 represents a lack of correlation.

The significance level calculated for each correlation is a primary source of information about the reliability of the correlation. In relation to the number of observations in this study (n=214), 0.15 was deemed to be a secure level above which correlation coefficients can be considered significant. In general, we would normally assume that values of 0.1 to 0.3 indicate a weak relationship; values of 0.3 to 0.5 a moderate or strong linear relationship. The following Tables (Table 5.9, Table 5.10, Table 5.11 and Table 5.12) report the values of the correlation outputs. The results show that the items of each construct are inter-correlated significantly and positively, indicating that they all measure the same construct. As afore-mentioned, the reliability levels also corroborate these results.

Table 5.9 – Correlations analysis: international entrepreneurial orientation’s items

	ieo1	ieo2	ieo3	ieo4	ieo5	ieo6	ieo7
ieo1	1						
ieo2	0.6124*	1					
	0.0000						
ieo3	0.5486*	0.5592*	1				
	0.0000	0.0000					
ieo4	0.4725*	0.5366*	0.5784*	1			
	0.0000	0.0000	0.0000				
ieo5	0.3551*	0.3450*	0.4340*	0.3778*	1		
	0.0000	0.0000	0.0000	0.0000			
ieo6	0.3774*	0.3354*	0.4198*	0.3023*	0.3092*	1	
	0.0000	0.0000	0.0000	0.0000	0.0000		
ieo7	0.3380*	0.3431*	0.4036*	0.4143*	0.3379*	0.2528*	1
	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	

Source: author’s personal elaboration

*Correlation is significant at the 0.05 level

Legend: ieo1= first item of the international entrepreneurial orientation construct

Table 5.10 – Correlations analysis: international market knowledge capability’s items

	intmktkno1	intmktkno2	intmktkno3	intmktkno4	intmktkno5	intmktkno6	intmktkno7	intmktkno8
intmktkno1	1							
intmktkno2	0.2570*	1						
	0.0000							
intmktkno3	0.2807*	0.3503*	1					
	0.0000	0.0000						
intmktkno4	0.3111*	0.2687*	0.4618*	1				
	0.0000	0.0000	0.0000					
intmktkno5	0.2897*	0.2616*	0.4196*	0.4824*	1			
	0.0000	0.0000	0.0000	0.0000				
intmktkno6	0.3825*	0.2792*	0.4382*	0.4918*	0.6395*	1		
	0.0000	0.0000	0.0000	0.0000	0.0000			
intmktkno7	0.4011*	0.1833*	0.2821*	0.3552*	0.4141*	0.3911*	1	
	0.0000	0.0034	0.0000	0.0000	0.0000	0.0000		
intmktkno8	0.4584*	0.3938*	0.3763*	0.3670*	0.5411*	0.5276*	0.5015*	1
	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	

Source: author’s personal elaboration

*Correlation is significant at the 0.05 level

Legend: intmktkno1= first item of the international market learning capability construct

Table 5.11 – Correlations analysis: international marketing capability’s items

	intmktg1	intmktg2	intmktg3	intmktg4	intmktg5	intmktg6
intmktg1	1					
intmktg2	0.2591*	1				
	0.0000					
intmktg3	0.2903*	0.2550*	1			
	0.0000	0.0000				
intmktg4	0.3560*	0.3180*	0.4079*	1		
	0.0000	0.0000	0.0000			
intmktg5	0.3970*	0.3376*	0.3825*	0.6879*	1	
	0.0000	0.0000	0.0000	0.0000		
intmktg6	0.2173*	0.2890*	0.3380*	0.6003*	0.7025*	1
	0.0005	0.0000	0.0000	0.0000	0.0000	

Source: author’s personal elaboration

*Correlation is significant at the 0.05 level

Legend: intmktg1= first item of the international marketing capability construct

Table 5.12 – Correlations analysis: international networking capability’s items

	intnetw1	intnetw2	intnetw3	intnetw4	intnetw5	intnetw6	intnetw7
intnetw1	1						
intnetw2	0.7040*	1					
	0.0000						
intnetw3	0.6510*	0.7345*	1				
	0.0000	0.0000					
intnetw4	0.6930*	0.6975*	0.6998*	1			
	0.0000	0.0000	0.0000				
intnetw5	0.5789*	0.5419*	0.5962*	0.6930*	1		
	0.0000	0.0000	0.0000	0.0000			
intnetw6	0.3444*	0.5088*	0.4929*	0.5346*	0.5441*	1	
	0.0000	0.0000	0.0000	0.0000	0.0000		
intnetw7	0.5007*	0.6129*	0.6402*	0.6649*	0.6871*	0.6479*	1
	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	

Source: author’s personal elaboration

*Correlation is significant at the 0.05 level

Legend: netw1= first item of the networking capability construct

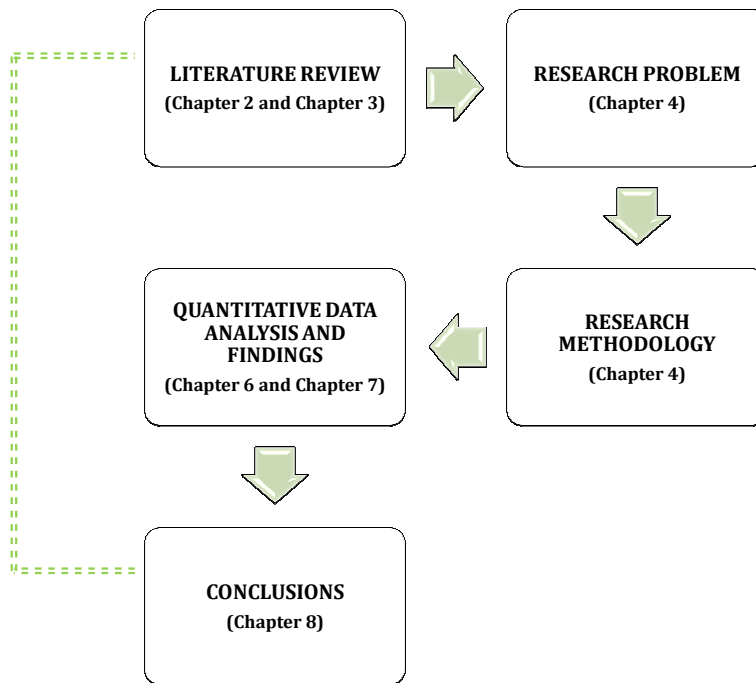
Synthesis and conclusion

This section concluded the analysis of the methodological stance of this research by discussing the selection of specific research methods. The purpose of this Chapter 5 was to provide an overview of the philosophical stance and the research methods. Finally, it summarises the data collection procedure and the statistical evaluation of the construct measures.

Ideally, the process of quantitative research starts with hypotheses deduction from theory. The next step entails creating a research design, which is comprehensive of the research subjects/respondents. Once the research subject is defined, the research instrument is administered. The last step then is concerned with data analysis and their interpretation of the data. This latter step involves a feedback loop back to theory and thus an inductive element. Figure 5.2 presents the whole research process

and the next two Chapters tackle specifically the data analysis (Chapter 6) and the empirical findings (Chapter 7).

Figure 5.2 - The research process of this study



Source: author's personal elaboration

CHAPTER 6 –DATA ANALYSIS

“No method is perfect, but thoughtful choice can support judgments that a contribution is interesting, significant and trustworthy”
(Huff 2009, p. 186)

Introduction

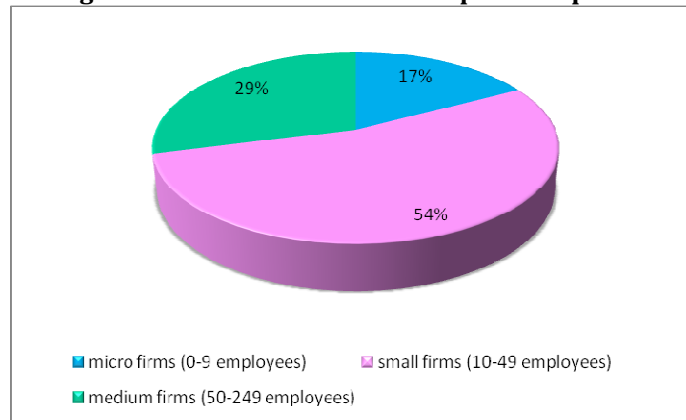
The thesis to this point has highlighted the research gaps, the most contrasting literature areas and the main concerns about the theme under investigation (see, please, Chapter 3 and Chapter 4). Chapter 6 presents key descriptive statistics of the survey data, which concern 2010. In particular, it reports descriptive data regarding firms’ demography and internationalisation patterns. In addition, a correlation analysis between organisational capabilities (namely, international entrepreneurial orientation; international market knowledge capability; international marketing capability and international networking capability) and the probability of a firm being classified as born global and internationalisation performance is reported. Chapter 6 is structured as follows. Section 6.1 presents the key descriptive statistics of the sample. After, it illustrates the internationalisation patterns of the sample (Section 6.2). Finally, the correlation analysis concludes this Chapter (Section 6.3).

6.1. Descriptive statistics: general information about the total sample

This section presents key descriptive statistics of the overall sample. The sample consists of 214 SMEs, specifically: 17 per cent of micro (less than 10 employees), 54 per cent of small (less than 50 employees) and 29 per cent of medium companies (less than 250 employees). On the one hand, the size distribution shows that companies of the sample are mainly small (on average, 46 employees). On the other hand, the age structure illustrates a relatively mature sample, with about one-half of firms in a range between 10 and 30 years of existence. The mature age of the sample allows investigation into organisational capabilities, which might take time to materialize. Furthermore, as our literature review confirmed, older companies may exhibit an international entrepreneurial behaviour with regard to their global

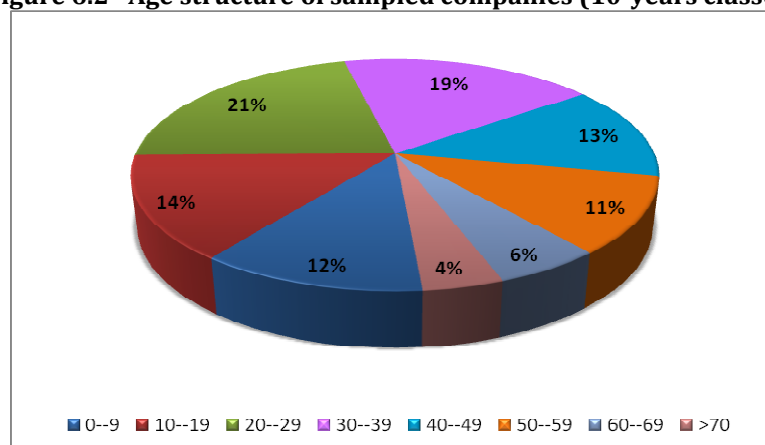
activities (Dimitratos et al. 2004). Therefore, having a well-balanced sample in terms of age will shed more light on the organisational capabilities and internationalisation behaviour. Details are shown in Figure 6.1 and Figure 6.2.

Figure 6.1 – Size structure of sampled companies



Source: author's personal elaboration

Figure 6.2 –Age structure of sampled companies (10-years classes)

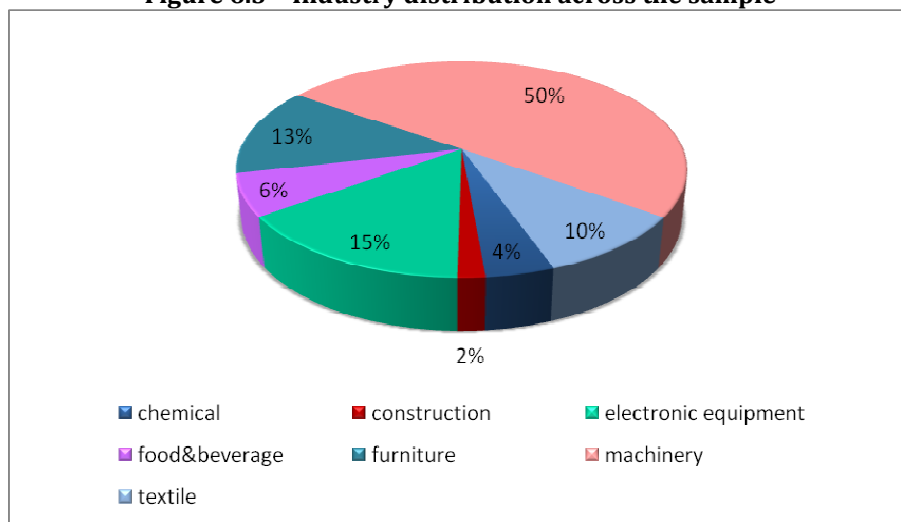


Source: author's personal elaboration

Regarding the distribution of industries, all major manufacturing sectors are represented in this study: among others, 50 per cent of the companies operate in the machinery industry; 15 per cent are in the electronic equipment sectors; 13 per cent are in the furniture industry and the remaining percentage of SMEs are in the textile, construction and food&beverage businesses. It is evident that both size and industries are particularly noteworthy in the Italian economy. In Italy, international competitiveness of SMEs is greatly debated among managers, politicians and academics since SMEs constitute the dominant part of the country's industrial system. Furthermore, changes in the world economy related to the role of emerging

economies over recent years have raised new challenges especially for these firms, which are experiencing increasing competitive pressures. Machinery, textile and furniture industries are the so-called “Made in Italy industries”. Focusing on these industries reflects the outstanding position that these Italian SMEs occupy in the worldwide scenario, which is small firms that are strongly geared to exports and with a high-quality product range on offer. The examination of firms in sectors that are traditional and mature responds to the many calls to study IE in non-high-technology sectors (Dimitratos et al. 2010; Ibeh 2005; Young et al. 2003). Details are shown in Figure 6.3.

Figure 6.3 - Industry distribution across the sample



Source: author's personal elaboration

6.2. Descriptive statistics: internationalisation patterns

Mainly with the emergence of born global companies, much attention has been devoted to the discussion of internationalisation patterns. The traditional/incremental perspective essentially sees patterns as being incremental, proceeding slowly from one stage to another, whereas the IE describes patterns as being fast and serial. Therefore, analysing international samples promise to shed further light on the internationalisation behaviour and changes in the long run. This paragraph gives a representation of the internationalisation patterns of the sampled companies. The IE field considers time and its dimensions (namely *precocity* and *speed*) two important determinants of the internationalisation behaviour. Time has been traditionally marginal in international business studies (Ancona et al. 2001), but now new research fields are emerging, which place time at their core. In particular,

Jones and Coviello (2005) argued that time is a key element that distinguishes studies focused on born globals from studies of SMEs internationalisation. At a general level, studies of born globals have focused on the early stages of internationalisation in terms of chronology. At a more specific level, born globals are distinguished from other SMEs in terms of: the time taken to commence international activity (namely *internationalisation precocity*) and the speed or rate at which internationalisation develops (namely, *internationalisation speed*). Overall, by including the conceptual dimension of time, this work supports Jones and Coviello (2005) and Zucchella et al. (2007) in their suggestions that research on internationalisation should explicitly incorporate the role and influence of time. In this line, these two time dimensions are operationalised in the following way.

- *Internationalisation precocity* indicates the number of years from firm inception to the beginning of its international sales. In literature, there has been more variety. Rennie (1993) and Moen and Servais (2002) applied the time span “two years from foundation” whereas Knight and Cavusgil (1996) referred to “three years after their birth”. In literature a time span of six years after foundation has been applied (Shrader et al. 2000; Loane et al. 2007; Fernhaber et al. 2007; Presutti et al. 2007). This work classifies as *early internationalising* those firms that have started exporting in the first six years. According to Oviatt and McDougall (1997) while the selection of any particular period is somewhat arbitrary, the first six years are a crucial period determining the survival of SMEs in the US. The sixth year is also considered a threshold that determines the youth of a SME by the French national agency for venture creation (Cabrol and Nlemvo 2009). This cut-off is derived from the commonly accepted fact that many SMEs fail before their sixth anniversary. Thus, the six-year criterion is a conventional operational definition of young new ventures (Brush 1995). This cut-off has also been used in several studies on born globals (Shrader et al. 2000; Loane and Bell 2006; Autio et al. 2000; Yeoh 2004). In addition, according to Oviatt and McDougall (1997), if internationalisation occurs during that period, it is likely to have occurred during the venture’s formative stage. In our sample, on average,

companies have started to internationalise after nine years from their foundation. It indicates that companies are relatively precocious.

- › *Speed of internationalisation* is one of the key defining factors of a fast internationalising company (Knight and Cavusgil 1996; Madsen and Servais 1997; Morgan-Thomas and Jones 2009) and it is indicative of the entrepreneurial, proactive, innovative and risk-seeking form of internationalisation generally associated with born globals (Acedo and Jones 2007; Jones and Coviello 2005). Yet the dynamics of internationalisation, especially its speed, is under-researched (Hurmerinta-Peltomäki 2004; Kuivalainen et al. 2007). Speed could be measured as the percentage of revenue earned from abroad over the first six years (namely *six-years export intensity*). According to past studies (Autio et al. 2000; Cabrol and Nlemvo 2009), it is possible to distinguish between *fast internationalising firms* (six-years export intensity ≥ 25 per cent) and *slow internationalising firms* (six-year export intensity < 25 per cent). The “25 per cent” criterion is considered a good proxy for speed (Knight and Cavusgil 2004), because it indicates a company’s consolidated international presence and it is widely accepted in the field (Rasmussen et al. 2010). In this way, we eliminated firms with isolated activities abroad, as other studies have previously done (Knight and Cavusgil 1996; Jantunen et al. 2008; Kuivalainen et al. 2007; Milanov and Fernhaber 2009; Ripollés and Blesa 2011). The total sample shows a relatively high level of internationalisation speed (on average 32 per cent). These primary findings confirm that the size of our sample of SMEs has not hindered their global expansion. These results contradict the widely accepted view of SMEs as being “reactive or opportunistic at best”. In contrast, the data describes a group of proactive and strategically acting global SMEs.

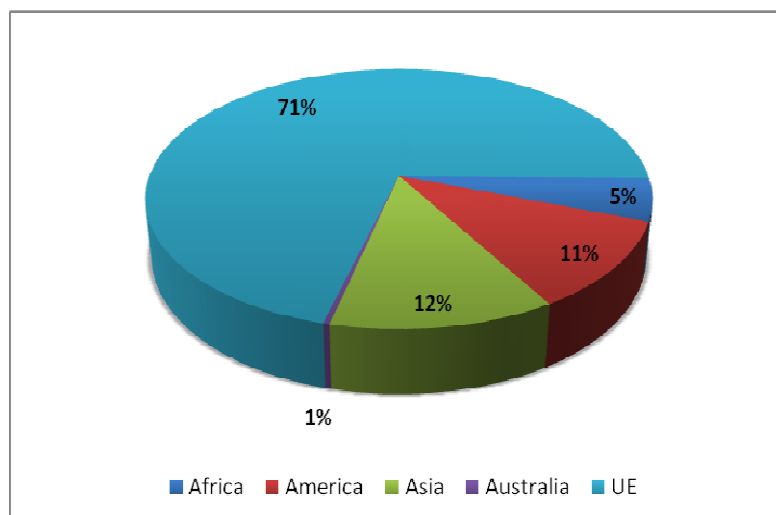
Much scientific debate has been devoted to the problem of measurement and the operationalisation of *export performance* (Sousa et al. 2008; Wheeler et al. 2008) and no uniform definition is provided by the literature (Cavusgil and Zou 1994; Sousa 2004). Moreover, while overall performance refers to the total outcomes from all firms’ activities, including its domestic market (Papadopoulos and Martin 2010), export performance represents the outcome of a firm’s activities in export markets

(Katsikeas et al. 2000; Shoham 1998). Recently, several papers have reviewed available empirical studies and the number of recent reviews highlights the importance of the debate concerning this concept (Pangarkar 2008; Larimo 2007; Sousa 2004; Leonidou and Katsikeas 1996). Nevertheless, in spite of the development of several measurement scales (Lages and Lages 2004; Zou and Stan 1998), there is yet no full consensus on how to measure export performance (Katsikeas et al. 2000; Sousa 2004; Wheeler et al. 2008). According to Katsikeas et al. (2000), export performance is a multifaceted phenomenon and none of the individual measures of performance can be considered inherently superior to others. However, Cavusgil (1980) argued that the percentage of export sales on total sales better assesses the process of internationalisation. Export intensity is, by far, the most common export performance measure in empirical research (Katsikeas et al. 2000; Lages and Lages 2004; Leonidou et al. 2002; Sousa 2004; Sousa et al. 2008). It is usually measured as the ratio of exports to total sales and it has already been applied in many previous IE studies (Zucchella et al. 2007; Zhang et al. 2009; Jantunen et al. 2005). Hence, in line with our research questions, which aim at examining if early and speed internationalisation is positively associated with a higher level of international growth and performance, this work measures international performance as the percentage of total turnover exported. The total sample shows a relatively high level of export intensity (on average, 50 per cent). In comparison with past Italian studies reporting a similar percentage of export intensity (Hagen et al. 2011) or lower (Presutti et al. 2007), our sample shows relatively high export intensity. This data confirms that Italian SMEs consider internationalisation an important growth strategy. It is also interesting to notice that, although since 2008 Italian export activity has decreased by 22 per cent, these SMEs have gained excellent success both in global markets and have achieved good results in global recession times.

Together with these internationalisation dimensions (namely, precocity, speed and export intensity), also the *geographical scope* one was raised, since some researchers have claimed that born global firms should have a global scope and not only a generic international scope (Gabrielsson and Gabrielsson 2003). In the case of geographical scope there are no exact definitions. The traditional approach assumes that firms enter new foreign markets as a function of their psychic distance to the firm's prior

experience. Psychic distance has been described by Johanson and Vahlne (1977) as the sum of factors preventing the flow of information to and from the market. Psychic distance, they argued, is influenced by differences in the culture and language between home and target markets. Recently, Arenius (2005) has reviewed the concept of psychic distance. She has defined it in this way: “Psychic distance is defined as factors, such as differences in language, cultures and business practices that prevent and disturb the flow of information between the firm and the market. As the psychic distance increases, the more problematic information flows become” (Arenius 2005, p. 115). Generally, the born global approach emphasises that psychic distance may become irrelevant during a firm’s internationalisation (Jolly et al. 1992; Knight and Cavusgil 1996; Ojala 2008), but recent research has demonstrated the existence of only a few “truly born global companies” (Lopez et al. 2009). In order to also investigate this internationalisation dimension, we asked companies to indicate the three “first” export markets, the three “first” most important export countries and finally the most complex export market (that is, a market where they have already exported or where they would like to export in future). As Figure 6.4 shows, the three “first” places for initial internationalisation were held in Europe for the majority of the companies (over 70 per cent).

Figure 6.4 – Geographic scope: “first” export markets

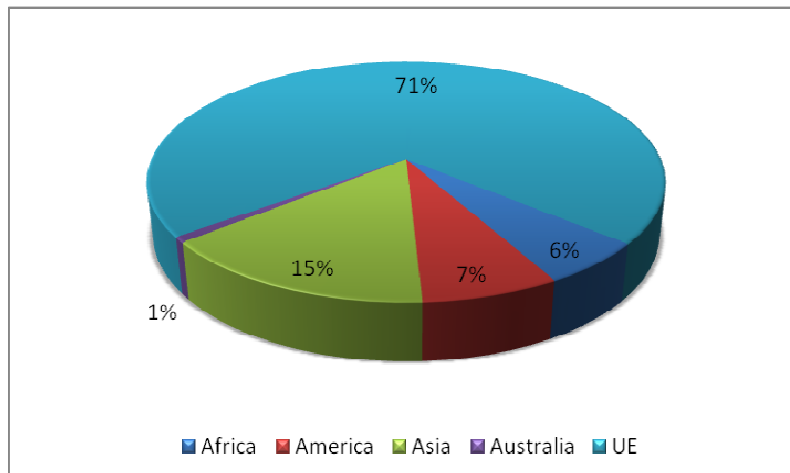


Source: author’s personal elaboration

Regarding the most important markets, UE remains the most significant area for export activity. As Figure 6.4 and Figure 6.5 show, only few companies have exported

to, and have ranked as important, countries located in distant geographic areas. This data confirms that, at the start of international activities, the sampled SMEs selected primarily culturally and geographically close markets, supporting the psychic distant approach.

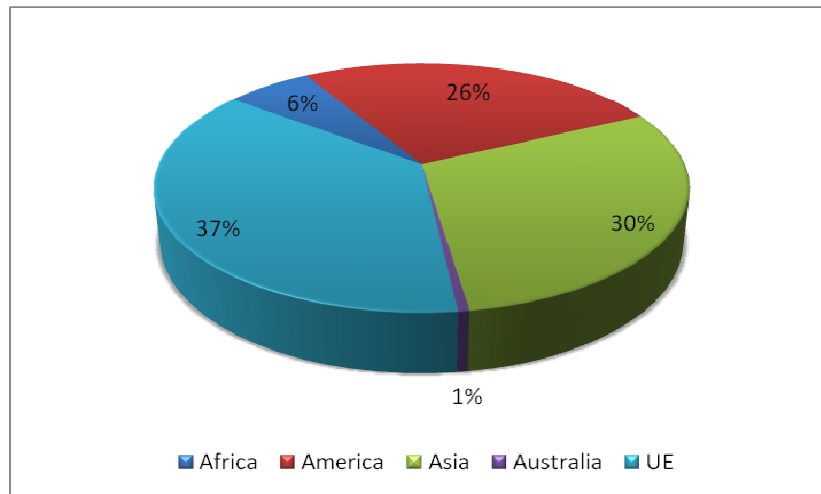
Figure 6.5 - Geographic scope: most important countries



Source: author's personal elaboration

Lastly, here we reported some information about the most complex markets. As Zucchella (2010b, p. 115) stated, "... the decision of entry to a complex market is an expression of the international entrepreneurial attitude of a small firm. The entry to a complex market is a demonstration of an international entrepreneurial organisation, as it involves both orientation and capabilities to face the risks involved". The most complex markets represent a very relevant challenge, especially to smaller firms, which needs to be compensated by adequate opportunities. As the Figure 6.6 shows, the most complex markets are located in Europe and Asia. These findings confirm that "complex market" is a multidimensional construct and that complex markets are not necessarily distant in cultural or geographic terms. In fact, they are also characterised by heterogeneity and dynamism of the demand, institutional complexity, distribution channels and competitiveness (Zucchella 2010b).

Figure 6.6 – Geographic scope: the most complex markets



Source: author's personal elaboration

In sum, the investigation of the internationalisation dimensions indicates that our sample is relatively precocious and fast in its global expansion. This confirms recent studies on Italian SMEs, which validate the existence of an Italian “entrepreneurial-growth-oriented cluster” (Hagen et al. 2011) and the presence of born globals among Italian SMEs (Zucchella et al. 2007; Presutti et al. 2007; Baronchelli and Cassia 2010). Although the analysis of the geographic scope confirms that European countries are considered the most important ones, these primary findings confirm the proactiveness of the Italian SMEs.

The proactiveness of the Italian SMEs is also evident by the analysis of the organisational capabilities. It is clear that our sample considers organisational capabilities important for their global expansion. Particularly, it shows high level of international entrepreneurial orientation and international market knowledge capability. Many scholars have studied the impact of managers’ entrepreneurial orientation on SME internationalisation (Sapienza et al. 2006; Ripollés-Meliá et al. 2007). The core argument in this line of research is that high managerial entrepreneurial orientation prompts more proactive, innovative and risk-taking decisions in terms of expanding the current product/market portfolio of the firm and that such decisions increase the propensity of internationalisation. In other words, managers’ with higher entrepreneurial orientation in general perceive internationalisation as an attractive opportunity to expand the scope of their firm and maximise performance. Accordingly, a number of empirical studies in the literature

have found a positive relationship between international entrepreneurial orientation and SMEs' internationalisation and performance (De Clercq et al. 2005; Jantunen et al. 2005). Indeed, this orientation is evident both in new/young companies (Knight 2000) and in older companies (Dimitratos et al. 2004).

Furthermore, the behavioural view of SMEs' internationalisation emphasises the role of managerial attributes and active learning as a critical component driving international expansion decision (Johanson and Vahlne 1977). Past research in this area has indicated a positive relationship between a higher level of managerial learning effort and intent to internationalise (Burpitt and Rondinelli 2000; Zahra et al. 2000).

The overall sample considers also international marketing and international networking capabilities relevant in its international expansion. In the context of SMEs' internationalisation activities, researchers have explored why and how network ties facilitate or hinder the decision to expand internationally as well as maximise performance after foreign market entry (Komulainen et al. 2006; Zhou et al. 2007). The central argument in this line of research is that networks are valuable sources of information about international markets and business opportunities. Finally, these findings seem to support the important role of marketing competences in SMEs. Marketing provides the primary tools through which companies interact with buyers and the general external environment of business. Marketing competence implies skilful handling of product adaptation and the marketing planning process, control of marketing activities, prowess in differentiating the product as well as being highly effective in pricing, advertising and distribution. Table 6.1 summarises the most relevant information about the surveyed group.

Table 6.1 – General information of the total sample (214 observations)

General characteristics		
Micro-firm (0-9 employees)	16%	% on the total
Small firms (10-49 employees)	55%	% on the total
Medium firms (50-250 employees)	29%	% on the total
Number of employees	46	simple average
Age	33	simple average
Industry		
Chemical	4%	% on the total
Construction	2%	% on the total
Electronic equipment	15%	% on the total
Food&beverage	6%	% on the total
Forniture	13%	% on the total
Machinery	50%	% on the total
Textile	10%	% on the total
Internationalisation characteristics		
Time		
Precocity (number of years from firm inception to the beginning of its international sales)	9	simple average
Speed (percentage of revenue earned from abroad over the first six years)	32%	simple average
Geographic Scope		
"First" export markets		
Africa	5%	% on the total
America	11%	% on the total
Asia	12%	% on the total
Australia	0%	% on the total
Europe	71%	% on the total
Most important markets		
Africa	6%	% on the total
America	7%	% on the total
Asia	15%	% on the total
Australia	1%	% on the total
Europe	71%	% on the total
Complex markets		
Africa	37%	% on the total
America	26%	% on the total
Asia	30%	% on the total
Australia	1%	% on the total
Europe	37%	% on the total
Performance		
Export intensity (foreign sales/total sales in 2010)	50%	simple average
Organisational capabilities		
International entrepreneurial orientation	3.94	simple average
International market knowledge capability	3.70	simple average
International marketing capability	3.46	simple average
International networking capability	3.29	simple average
Number of SMEs	214	

Source: author's personal elaboration

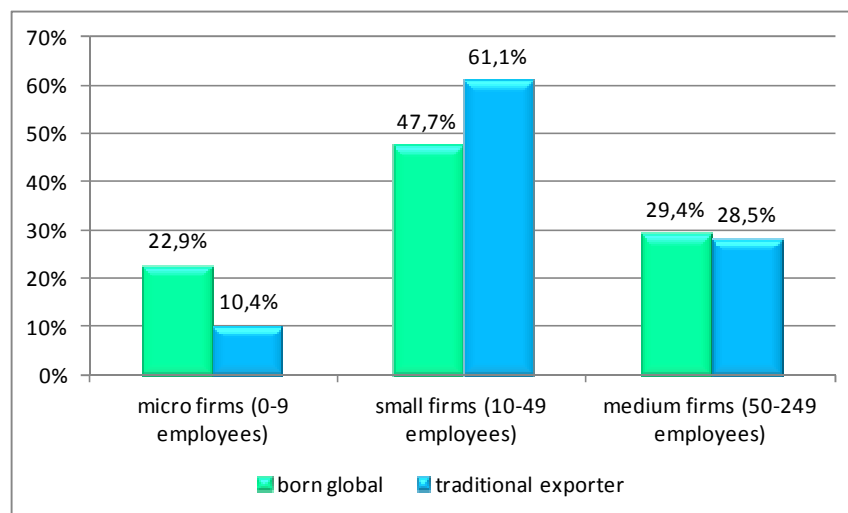
Born globals versus traditional exporters. Since the first aim of these paragraphs is to describe the internationalisation process of a sample of Italian manufacturing SMEs, we divided our sample in two different subgroups on the basis of the two dimensions of time (i.e. precocity and speed). As afore-mentioned, born global literature is still lacking a precise definition of what a “born global” is and some existing definitions are tautological (Svensson and Payan 2009). Many researchers have argued that it is important to use the same definition in different studies in order to make them comparable, but it is even more important to adapt the definition to different contexts so as make the investigation meaningful in each specific environment (Andersson and Wictor 2003; Nordman and Melén 2009; Kuivalainen et al. 2007). In so doing, the author of this thesis has made some methodological choices listed hereafter. Firstly, with regard to international activities, only sales aspects were considered. In fact, the existence of a significant percentage of sales derived from foreign countries is a key defining dimension of born globals (Oviatt and McDougall 1994). Oviatt and McDougall (1997) consider that obtaining significant foreign sales is more difficult and distinctive than obtaining foreign inputs; several international dimensions are associated in some way with the initiation of foreign sales. Secondly, this work considers born globals as companies having developed an international sales activity when they were no more than six years old. Thirdly, it considers as born globals companies that have exported at least 25 per cent of their sales within the first six years of global expansion. In this regard, we asked companies about the year of foundation and their first year of internationalisation and the percentage of foreign sales on total sales within the six-years after their first international sale.

- Summarising this PhD dissertation will label as born global a company that is precocious (time to export ≤ 6 years) and fast (six-years export intensity ≥ 25 per cent). In other words, precocious and accelerated global expansion are the most important features that distinguish born globals from traditional exporters.

On the basis of these elements, our sample consists of 109 born globals that are precocious and fast in their global expansion and 105 traditional exporters, that is, SMEs that follow a more traditional internationalisation process. This paragraph

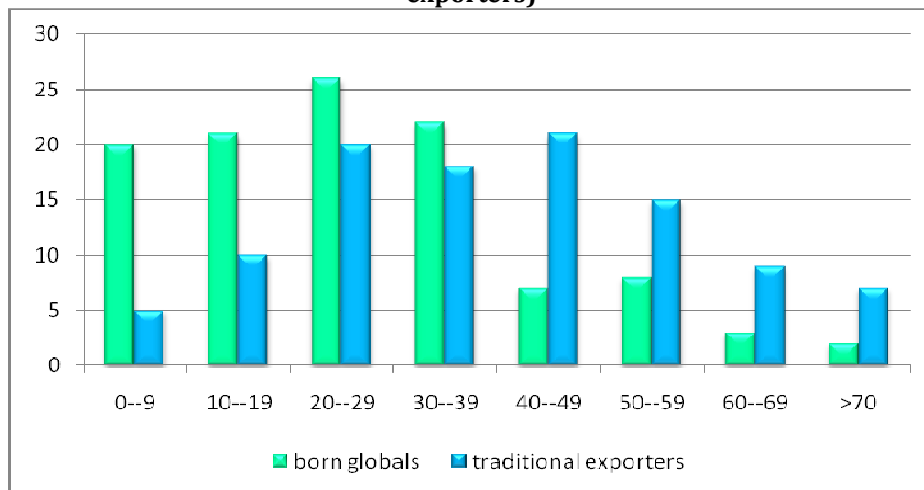
compares the main features of the two identified subgroups. Regarding size, the small dimension (respectively, 48 per cent and 62 per cent) prevails in the two different subgroups, but born globals are larger and younger than their counterpart (respectively, on average, 48 employees and 26 years old versus 44 employees and 41 years old). Despite there is a clear evidence that born global companies are new or very young firms, in our sample most born globals are mature companies and it confirms what Bell et al. (2010, p. 180) have recently argued: “born global firms have existed for at least a century and probably more”. Moreover, in a recent study Kuivalainen et al. (2007) have reported the existence of a small group of “true born global” firms which are older than the born globals identified in our sample (i.e., 54 years old). Figure 6.7 and Figure 6.8 compare the size structure and the age distribution of born globals and traditional exporters.

Figure 6.7 – Size structure of sampled companies (born globals vs traditional exporters)



Source: author’s personal elaboration

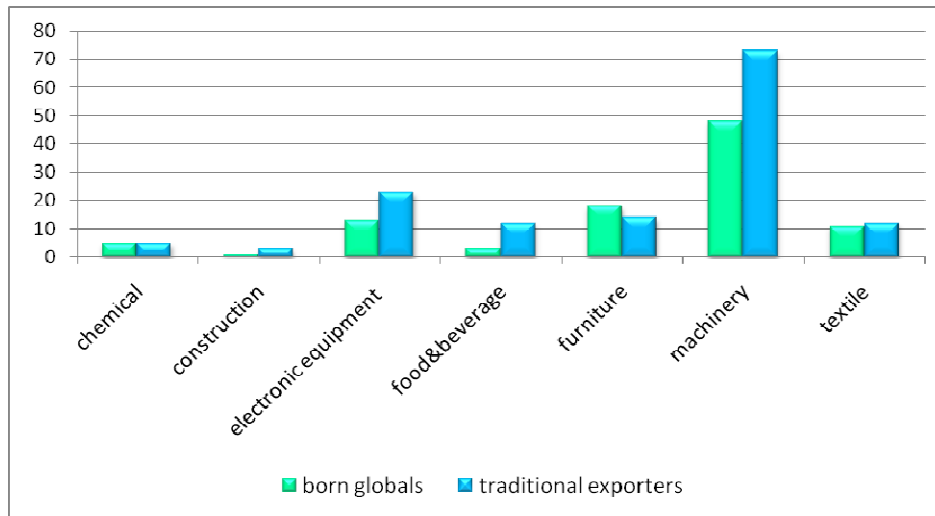
Figure 6.8 – Age structure of sampled companies (10-years classes) (born globals vs traditional exporters)



Source: author's personal elaboration

Regarding industries, the majority of the companies are in machinery sectors. These results contradict past evidence that born globals are only in high-tech sectors. The majority of existing research in the context of IE has utilised high-technology ventures as their unit of analysis (Jolly et al. 1992; Coviello and Munro 1995; Burgel and Murray 2000; Zahra et al. 2000; Kotha et al. 2001). However, such firms are also found in traditional industries (Gabrielsson et al. 2008a; Rasmussen et al. 2010). For instance, some researchers reported about born globals in the crafts (McAuley 1999), performing-arts (Fillis and Lee 2011), seafood (Evers and Knight 2008) and aquaculture industries (Evers 2010). In addition, Gabrielsson et al. (2008a) and Cabrol and Nlemvo (2009) reported case studies of born global firms which were in machinery, food and clothes industries. Therefore, Figure 6.9 indicates that they appear in a large number of manufacturing industries.

Figure 6.9 – Industry sector distribution across the sample (born globals vs traditional exporters)



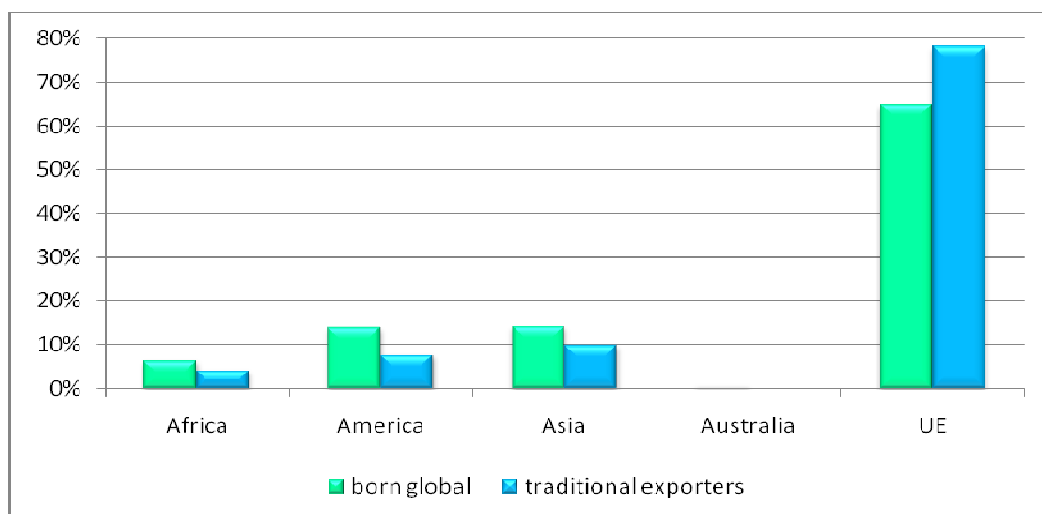
Source: author's personal elaboration

Studying geographical areas targeted is another way of assessing the level of internationalisation of companies. Figure 6.10 shows that there are not particular differences between the two subgroups: the European countries are considered the most important ones both by born globals and traditional exporters. However, born globals consider relevant also more geographically and psychically distant markets (such as the United States and Japan). Born globals have entered more geographically and distant markets (such as America and Asia) and only these companies ranked Australia as the first entry market. Although the born global approach emphasises that psychic distance may become irrelevant during a firm's internationalisation, recent research demonstrates the existence of only a few "truly born globals" (Rasmussen et al. 2010). Some researchers argued that born globals do not choose the exporting markets according to the psychic distance (Bell 1995; Madsen and Servais 1997). For instance, according to Bell (1995), the market selection of born globals was more influenced by domestic client followership, sectoral targeting and industry trends than by the psychic distance of the country. In the same vein, Madsen and Servais (1997) proposed that the experience of the founders and partners, as well as the economic and capability or customer-related factors, determined the location of foreign activities. According to Arenius (2005), the higher the psychic distance, the slower the speed of foreign market penetration. According to the Author, firms tend to start their internationalisation on close markets; after, with increasing commitment and improved understanding of foreign markets, firms enter

into markets that are increasingly dissimilar to their home market (Arenius 2005). Past studies confirmed that born globals appear to start their international expansion at “close” markets supporting the psychic distance postulate (Bell 1995; Chetty and Blankenburg-Holm 2000; Coviello and Munro 1995 Fontes and Coombs 1997). The recent Johansson and Vahlne (2009) revised model accommodates for this issue through the role of networks and introduces the question of the “liability of outsidership” to the relevant network, as a relevant factor which constrains the market entry. This analysis shows that the most important markets are located mainly in the European continent both for born globals and traditional exporters. Summarising the data, it is evident that the psychic distance concept does not differentiate across the two subgroups. Researchers from Europe in particular (Kuivalainen et al. 2007) but also America (Lopez 2009) have noticed that there are “born regionals” (Chetty and Campbell-Hunt 2004) or “born internationals” (Kuivalainen et al. 2007; Gabrielsson and Pelkonen 2008) firms that internationalise rapidly in close countries, but do not globalise to other continents largely. Lastly, also the nature of the industries (namely, high-tech or low-tech) may affect the propensity of born globals to go into more geographically and psychically distant markets (Jones and Crick 2004).

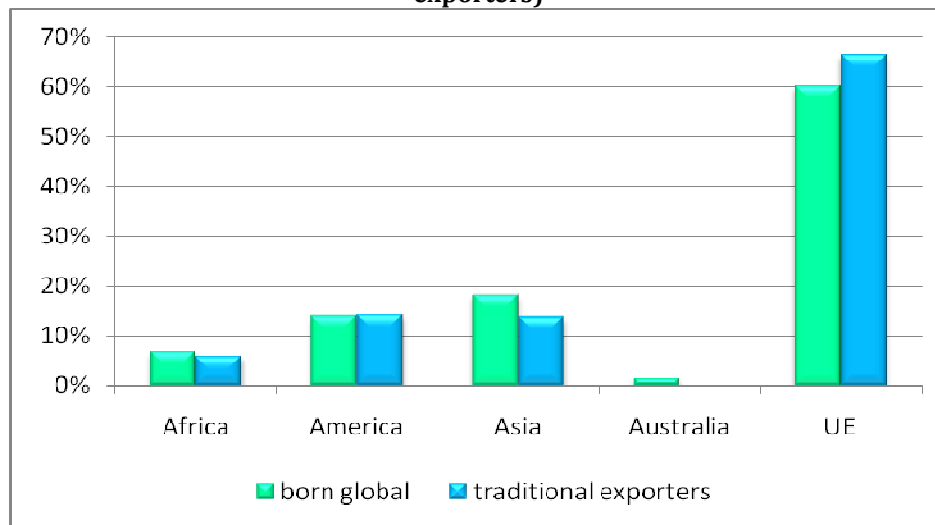
The Figure 6.10 and the Figure 6.11 below show and compare the geographic scope of born globals and traditional exporters (in terms of “first” export markets and most important markets, respectively).

Figure 6.10– Geographic scope: “first” export markets (born globals vs traditional exporters)



Source: author's personal elaboration

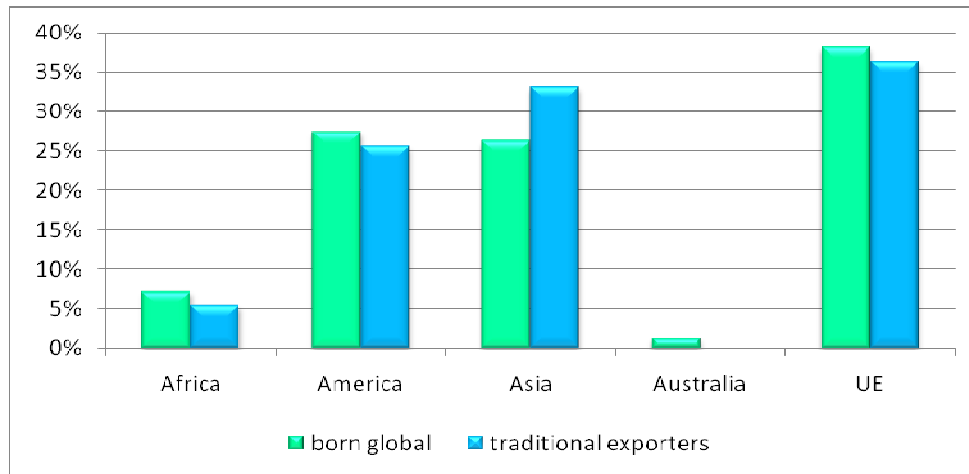
Figure 6.11 – Geographic scope: the most important countries (born globals vs traditional exporters)



Source: author's personal elaboration

Then, the analysis of the most complex markets confirms the previous results and assertions regarding the psychic distance concept. Born globals consider European countries more complex than Asian countries. On the contrary, other markets such as America and Africa are considered less complex by traditional exporters than their counterparts. To sum up, the definition of complex markets is based on the idea that these markets are dominated by distance: they do not mean inter-country distance, but the distance between the company and its final customer. Therefore, complex markets need to be approached through strong commitment, close presence in the different areas (which may be approached gradually) and simplified product offerings, focusing on those products that are likely to fit the local needs best (Zucchella 2010b). Details are reported in Figure 6.12.

Figure 6.12 – Geographic scope: the most complex markets (born globals vs traditional exporters)



Source: author's personal elaboration

Finally, it is also interesting to compare the importance of organisational capabilities for the global expansion of both born globals and traditional exporters. Regarding the first key dimensions, the entrepreneurs/managers' global vision and commitment and the international networking capability strongly distinguish born globals and traditional exporters of our sample. The born globals' entrepreneurs/managers seem to perceive the entire world as one from inception (Rennie 1993; Andersson and Wictor 2003). Having an international entrepreneurial orientation implies that born globals make the leap into global markets because of unique entrepreneurial competences and outlook (Autio et al. 2000; Knight and Cavusgil 2004). The interviewed born globals seem to possess a distinctive international entrepreneurial orientation that allows them to see and exploit opportunities in foreign markets. There is empirical evidence that previous work experiences, a high level of education and knowledge of foreign languages are characteristics related to a strong international orientation in terms of export intensity (Aaby and Slater 1988; Athanassiou and Nigh 2002; Ibeh 2003; Zucchella et al. 2007). For instance, Reuber and Fischer (1999) demonstrated that internationally experienced top-managers move a small firm toward internationalisation more quickly than their counterpart firms which cannot use this competitive advantage.

The relevance of inter-firm cooperation and learning along internationalisation processes has been outlined in a number of publications (Petersen et al. 2002). The literature reiterates that networks and relationships are important in

internationalisation for firms of all sizes because they enable firms to link activities and tie resources together (Andersson and Wictor, 2003; Coviello and Munro 1995). There is evidence to suggest that networks are particularly important for born global firms, given their resource constraints (Mort and Weerawardena 2006). Born globals often seek partners who complement their own competences (Johanson and Mattson 1988; Oviatt and McDougall 1994; Coviello and Munro 1995), developing effective networks. A number of researchers have argued that networks contribute to the success of born global firms by helping to identify new market opportunities and contribute to building market knowledge (Chetty and Blankenburg-Holm 2000; Madsen and Servais 1997).

However, the born globals of our sample seem to consider international market knowledge capability and international marketing capability as less important for their global expansion. It is possible that born globals, short in resources, need to develop mechanisms to substitute for lack of experience. Regarding the little importance of marketing competences among born global companies, one possible reason is that these capabilities may have a more direct and positive impact on performance than on internationalisation process. Table 6.2 compares the main features of born globals and traditional exporters SMEs.

Table 6.2- Descriptive information of the respondent firms: comparison among born globals and traditional exporters

General characteristics			
	Born globals	Traditional Exporters	
Micro-firm (0-9 employees)	23%	10%	% on the total
Small firms (10-49 employees)	48%	61%	% on the total
Medium firms (50-250 employees)	29%	29%	% on the total
Number of employees	44	47	simple average
Age	27	47	simple average
Industry			
Chemical	5%	4%	% on the total
Construction	1%	2%	% on the total
Electronic equipment	13%	16%	% on the total
Food&beverage	3%	8%	% on the total
Forniture	18%	10%	% on the total
Machinery	48%	51%	% on the total
Textile	11%	8%	% on the total
Internationalisation characteristics			
Time			
Precocity (number of years from firm inception to the beginning of its international sales)	1	17	simple average
Speed (percentage of revenue earned from abroad over the first six years)	50%	14%	simple average
Geographic Scope			
"First" export markets			
Africa	7%	4%	% on the total
America	14%	8%	% on the total
Asia	14%	9%	% on the total
Australia	1%	0%	% on the total
Europe	64%	79%	% on the total
Most important markets			
Africa	6%	5%	% on the total
America	14%	14%	% on the total
Asia	19%	14%	% on the total
Australia	1%	0%	% on the total
Europe	60%	67%	% on the total
Complex markets			
Africa	7%	5%	% on the total
America	27%	26%	% on the total
Asia	26%	33%	% on the total
Australia	1%	0%	% on the total
Europe	39%	36%	% on the total
Performance			
Export intensity (foreign sales/total sales in 2010)	60%	39%	simple average
Organisational capabilities			
International entrepreneurial orientation	4.20	3.77	simple average
International market k nowledgecapability	3.68	3.71	simple average
International marketing capability	3.49	3.42	simple average
International networking capability	3.36	3.21	simple average

Source: author's personal elaboration

6.3. Descriptive statistics: correlation analysis

The process of the data analysis continues with the correlation analysis, which is a statistical technique used to measure the association between two variables. A correlation coefficient is a statistic index used for measuring the strength of a supposed linear association between two variables. The most common correlation coefficient is the Pearson correlation coefficient. This correlation coefficient shows the extent to which variations in one variable explain variations in another. The Pearson correlation coefficient varies from -1 to +1. A correlation of +1 means that there is a perfect positive linear relationship between variables: this means that high scores of a generic variable x are associated with high scores of the variable y . A correlation of -1 means that there is a perfect negative correlation, where high scores

of a generic variable x are associated with low scores of the variable y . A Pearson correlation of 0 indicates that there is no linear relationship between variables (though not necessarily no relationship at all). Obviously the correlation of variable x with itself and variable y with itself is 1.

In general, one would normally assume that values of 0.1 to 0.3 indicate a weak relationship; values of 0.3 to 0.5 a moderate or strong linear relationship. In this study, correlation analysis was carried out with Stata. In Stata, the test produces a matrix of correlations for the pair of variables which shows the correlation coefficient and the significance level where appropriate (i.e., p -value). The main interest is in the correlation between variables x and y and the associated level of significance. More simply, the value of the p -value represents a decreasing index of the reliability of a result (Moody 2009). The higher the p -value, the less we can believe that the observed relation between variables in the sample is a reliable indicator of the relation between the respective variables in the population. Specifically, the p -value represents the probability of error that is involved in accepting our observed result as valid, that is, as “representative of the population”. For example, a p -value of 0.05 indicates that there is a 5 per cent probability that the relation between the variables found in a sample is a “lucky” finding but reflects a real correlation in the underlying population from which a sample is drawn. In many areas of research, the p -value of 0.05 is customarily treated as a “border-line acceptable” error level (Baum 2006). Thus, this paragraph reports the statistically significant correlations at the 0.05 level. In order to facilitate the comprehension of the statistic matrix, the following paragraphs indicate and comment only on the significant correlations between variables. Moreover, in the Tables, the significant correlations are indicated with a “star”. Table 6.3 presents the correlations between the variables included in this study. The correlations’ output shows that there are many positive and significant associations between variables. Particularly, the born global status (bg) is positively correlated with international entrepreneurial orientation (ieo) and export intensity (*export intensity*). These results indicate that companies that show a high level of international entrepreneurial orientation are more likely to enter the global marketplace earlier and faster than their counterparts. Furthermore, earlier and faster internationalising companies show a high level of export intensity. International performance is also linked positively to international market

knowledge capability (*intmktkno*) and international marketing capability (*intmktg*). Finally, all the organisational capabilities analysed correlate with each other. This means that companies that develop a high level of one capability are more likely to develop all the others capabilities. In fact, often organisational capabilities are interconnected and one type of capability is needed to gain another, as past studies have confirmed (Kuivalainen et al. 2010).

Table 6.3 - Correlation output

	ieo	intmktkno	intmktg	intnetw	exportintensity	bg
ieo	1					
intmktkno	0.4861*	1				
	0.0000					
intmktg	0.4733*	0.6297*	1			
	0.0000	0.0000				
intnetw	0.2413*	0.4633*	0.3899*	1		
	0.0001	0.0000	0.0000			
exportintensity	0.4466*	0.1381*	0.1728*	0.0689	1	
	0.0000	0,0297	0,0064	0.2799		
bg	0.2546*	-0,0297	0,0444	0.094	0.4004*	1
	0.0002	1	0,5186	0.1708	0.0000	

Source: author's personal elaboration
*Correlation is significant at the 0.05 level

Before proceeding with the regression analyses, it is worth examining correlation coefficients of all the independent variables used in this study. Examining the significance of correlation coefficients allows us to check for multicollinearity problems, given that correlations between predictor variables could lead to unreliable regression estimates (Baum 2006). Multicollinearity occurs when two or more variables in the model are correlated and provide redundant information about the response. Multicollinearity is a problem because of confusing and misleading results. Literature identified different causes of multicollinearity (among others, improper use of dummy variables; including a variable that is computed from other variables in the equation; including the same or almost the same variable twice). These causes imply some sort of error on the researcher's part. Nevertheless, it may just be that variables actually are highly correlated (Lattin et al. 2003). The correlation matrix (Table 6.3) shows that the correlations are quite low, suggesting that multicollinearity is not a problem. Another diagnostic test for multicollinearity such as the Variance Inflation Factor (VIF hereafter) was executed with Stata and no multicollinearity problems were found. VIF scores in this study ranged between 1.2

and 1.5. Therefore, multicollinearity did not represent a problem in our database (Table 6.4).

Table 6.4 - VIF values

	VIF
International entrepreneurial orientation	1.51
International market knowledge capability	1.24
International marketing capability	1.32
International networking capability	1.50

Source: author's personal elaboration

Synthesis and conclusion

This Chapter 6 presented key descriptive statistics of the survey data. In particular, it reported descriptive data regarding firms' demography and internationalisation patterns. Descriptive analyses show that our sample is relatively precocious and fast in its international expansion. Moreover, it shows a relatively high level of export intensity, despite the fact that the recession period has notably decreased the SMEs' global activities. The geographic scope of their activities is limited to European countries. In our sample it is possible to identify two different internationalisation patterns: born global companies (that is, companies that have experienced early and rapid internationalisation) and traditional exporters (that is, companies that have followed a more traditional internationalisation process).

Lastly, a correlation analysis between all variables, the probability of a firm to be classified as born global and internationalisation performance and international performance is reported. The correlation output shows that there are very interesting, significant and positive correlations. In order to test these associations, the next Chapter 7 illustrates the findings of the two sets of regression models.

CHAPTER 7 – EMPIRICAL FINDINGS

“There are no facts, only interpretations”

Friedrich Nietzsche (1844-1900)

Introduction

Chapter 7 presents the quantitative findings, which make a major contribution in developing the research aim. As presented in the previous Chapter 4, the research hypotheses involve four independent variables (namely, international entrepreneurial orientation; international market knowledge capability; international marketing capability and international networking capability), which influence two dependent variables (namely, the probability for a company to be classified as born global or as traditional exporter and international performance) along with control variables (namely, firm’s size and age). The statistical techniques of logistic and linear regression analyses were carried out in order to examine the resultant relationships. Chapter 7 is structured as follows. The first section summarises and links the research questions (and the respective research hypotheses) to the corresponding statistical techniques (Section 7.1). Then, the findings of the logistic regression (Section 7.2) and the linear regression analyses (Section 7.3) are presented. Finally, the discussion of the results concludes this Chapter (Section 7.4).

7.1. Linking research questions and research hypotheses to regression analysis

In this study, organisational capabilities are hypothesised as having an influence on the probability of being classified as born global and as influencing the companies’ international performance. *Logistic regression* and *linear regression* are the main statistical methods in this PhD thesis. The quantitative data are processed using the statistic program Stata. Two sets of regression results are presented:

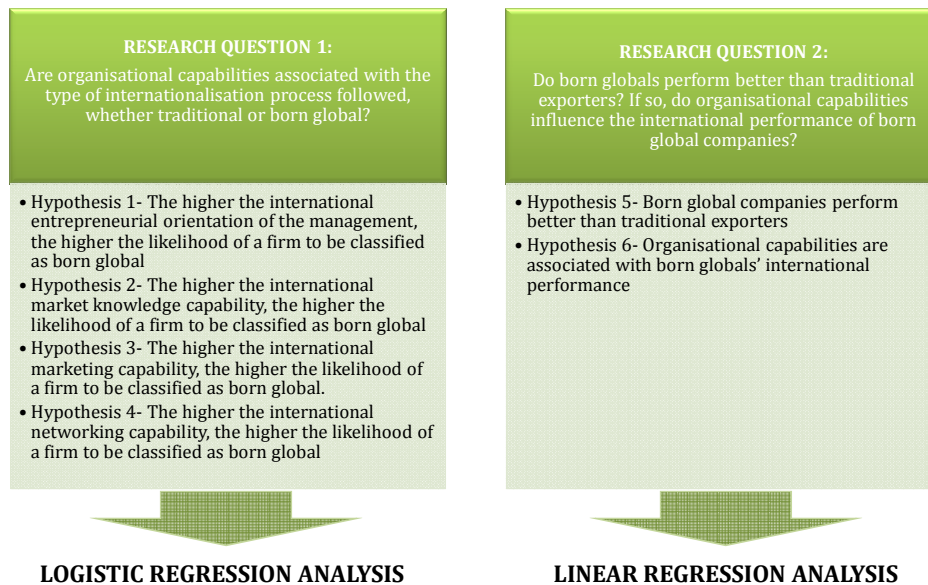
- › the first set models the distinction between born globals and traditional exporters by reference to international entrepreneurial orientation,

international market knowledge capability, international marketing capability and international networking capability;

- › the second set models the determinants of a firm's international performance; international performance is operationalised by export intensity (that is, the percentage of foreign sales on total sales).

Figure 7.1 below summarises the research questions and the research hypotheses and links them to the statistical techniques selected. In order to test the research questions and hypotheses, this study sets up three different empirical models. The first logistic model with the dependent variable "born global" tests the impact of the organisational capabilities on the likelihood of being classified as born global or traditional exporters (Hypothesis 1, Hypothesis 2, Hypothesis 3 and Hypothesis 4). The second linear model with the dependent variable "export intensity" tests the impact of the organisational capabilities and the dichotomous variables "born global" on the international performance. Finally, a third linear regression with dependent variables "born globals' export intensity" tests the impact of the organisational capabilities on born globals' international performance. These statistical methods are widely accepted within the IE literature (McDougall et al. 2003; Cheng and Yu 2008; Schwens and Kabst 2009a; Fernhaber and Li 2010).

Figure 7.1 – Linking research questions and research hypotheses to statistical methods



Source: author's personal elaboration

7.2. Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?

In order to answer the first research question and test the derived research hypotheses (namely, Hypothesis 1, Hypothesis 2, Hypothesis 3 and Hypothesis 4), this study first sets up a *logistic regression model* to test the impact of the independent variables (namely, international entrepreneurial orientation; international market knowledge capability; international marketing capability; international networking capability) on the probability of being classified as born global. An important remark is that, in this dissertation, *born globals are defined as companies that have started to export within six years of establishment and have an export intensity after six years that is 25 per cent or greater*; all other SMEs are defined as traditional exporters (for details, please, see Chapter 5). In this regard, we asked companies about the year of foundation and their first year of internationalisation and foreign sales as a percentage of total sales within the six-years after their first international sale.

Before presenting results of the logistic regression, this paragraph briefly clarifies some statistical concepts. Logistic regression is a form of regression, which is used when the dependent variable is a dichotomy and the independents are of any type. In this thesis, the dependent variable of the logistic regression is binary (that is, a

variable that assumes only values 0 or 1). The independent variables of interest are the organisational capabilities that extant literature identified as relevant in early and rapid internationalisation and performance. In sum, the dependent variable was measured using a dichotomous item, differentiating between born globals (that is, companies that have experienced early and speed internationalisation) and traditional exporters (that is, companies internationalising later and with a slow path). In this study, born globals were coded as “1” and traditional exporters were coded as “0”. Therefore, logistic regression is appropriate in order to answer the first research questions and test the derived research hypotheses (Hypothesis 1, Hypothesis 2, Hypothesis 3 and Hypothesis 4). The Stata output reported below gives an overview of the empirical results of the logistic regression models (Table 7.1). Firstly, it shows the number of observations used in our analysis. The number of observations in the full sample (N=253) was larger than the sum of the sample used for the statistical analysis (N=214). Some international firms could not be classified into a subgroup (i.e. born global or traditional exporter) due to missing information about international sales during the first six years of internationalisation (that is, the speed dimension). Despite great efforts to recover the missing data, we were not able to obtain this information from managers or from other secondary sources. Then, the output reports the iteration log (i.e. *log-likelihood*), indicating how quickly the model converged. The log-likelihood is the logarithm of the likelihood. It is an indicator of how much unexplained information there is after the model has been fitted. Large values of the log-likelihood statistic indicate poorly fitting statistical models, because the larger the value of the log-likelihood, the more unexplained observations there are (Field 2009). The *pseudo-R²* is another useful measure of how well the model fits the data. It may be defined as the proportion of the variance of the dependent variable that is explained by the independent variables.

In the first model (Model 1), only control variables were added: this model is treated as the base model. This first Model helps to verify whether the main independent variables contributed to the explanatory power of the models. In Model 1, firm size and firm age were used as controls. It is important to notice that natural logarithmic transformation was used in the logistic regression analyses. In the following Models, the others independent variables were added. In these Models (namely, Model 2, Model 3, Model 4 and Model 5), the *pseudo-R²* values are satisfying and in line with

those reported by other researchers (Dib et al. 2010; Schwens and Kabst 2009b). In order to present the linear regression results in a clearer way, in the following Table, a “star” will indicate only the significant results, that is, *p-value* is lower than 0.05 (for details regarding the interpretation of the *p-value*, please, see Chapter 6, Section 6.3). This is a common practice, because it allows us to interpret clearly the statistical results within the following Tables.

Table 7.1 – Logistic regression results

	Variable	Model 1: Control variables	Model 2: Hypothesis 1	Model 3: Hypothesis 2	Model 4: Hypothesis 3	Model 5: Hypothesis 4
Step 1: Control Variables	Company size	0.18	0.14	0.12	0.13	0.9
	Company age	-1.21*	-1.26*	-1.32*	-1.33*	-1.31*
Step 2: Independent Variables	International entrepreneurial orientation		0.92*	1.29*	1.30*	1.34*
	International market knowledge capability			-0.82*	-0.76*	-0.94*
	International marketing capability				-0.09	-0.19
	International networking capability					0.39*
Main statistical coefficients	Log-likelihood	-132.09	-124.94	-121.44	-121.39	-119.87
	Model pseudo-R2	0.11	0.15	0.17	0.18	0.19
	Number of observations	214	214	214	214	214
Dependent Variable: born global company vs traditional exporter						
*p<0.05						

Source: author’s personal elaborations.
“Star” indicates the significant variables

After explaining some statistical underpinnings, this section comments on the logistic regression findings.

- In the first Model (Model 1), *pseudo-R²* equals to 0.11, which means that the 11 per cent of the variation in the dependent variable is associated with variation in the predictors. In addition, its related significance level is very small. Hence, Model 1 may be considered statistically significant. The results in Model 1 show that the coefficient of age is negative and significant, indicating that the probability of born global would be higher when companies are younger. If the age of a company increases, the probability of being classified as born global decreases. This is why higher age indicates older companies; thus, negative association suggests that younger companies have a higher probability of being classified as born globals (and vice versa, older firms have lower probability of being classified as born globals). Then, the Model 1 shows that the size of the companies does not impact on the probability of being a born global. The coefficient of size is positive but it is statistically insignificant. In other words, there is a positive but not significant association. This is in line

with the features of the sample: in fact, born globals are larger than their counterparts are.

- The following model (Model 2) tests the impact of the international entrepreneurial orientation on the probability of being a born global company. The *pseudo-R²* equals to 0.15, which means that the 15 per cent of the variation in the dependent variable is associated with variation in the predictors. In addition, its related significance level is very small. Hence, Model 2 may be considered statistically significant. The coefficient of international entrepreneurial orientation is positive and statistically significant, indicating that the probability of being a born global would be higher when companies show a higher level of international entrepreneurial orientation. Therefore, Model 2 strongly supports Hypothesis 1. Having managers with a global mindset and global entrepreneurial orientation implies that companies make the leap into international markets because of unique entrepreneurial competences and outlook (Autio et al. 2000; Knight and Cavusgil 2004; McDougall et al. 1994). This result is consistent with what Lumpkin and Dess (1996, p. 136) term “new entry” and the “central idea underlying the concept of entrepreneurship”. Born globals founded by an entrepreneur/management team that sees the global market as their marketplace (Knight and Cavusgil 2004) and are experienced in international business (Zucchella et al. 2007) increase the probability of globalising their activities earlier and faster. Specifically, these firms tend to have an organisational culture that supports active exploration and pursuit of international opportunities, with the entrepreneur/management team adopting a relatively aggressive posture abroad.
- In Model 3, the international market knowledge capability was added in addition to the control variables and the other organisational capability. The *pseudo-R²* equals to 0.17, which means that 17 per cent of the variation in the dependent variable is associated with variation in the predictors. In addition, its related significance level is very small. Hence, Model 3 may be considered statistically significant. The coefficient on the international market knowledge capability is negative and statistically significant. This result does not support Hypothesis 2. A higher level of international market knowledge capability

decreases the probability of a company being classified as born global. Consistent with Model 2, age and international entrepreneurial orientation are statistically significant, enhancing the previous assumptions. Model 3 corroborates Hypothesis 1 but it does not confirm Hypothesis 2. It seems that companies that seek information about foreign markets have a lower probability of experiencing early and rapid internationalisation. The development of experiential knowledge of the target markets seems not to be a prerequisite for early and rapid global expansion. However, our results support Schwens' (2008) findings. According to the Author, born globals are more dependent on and proactive in exploiting network contacts to substitute their lack of own knowledge in the entry phase. Exploiting knowledge from network partners helps born globals to overcome liabilities of foreignness (Schwens and Kabst 2009b). Rapidly internationalising small companies learn by imitating successful ventures, networking with other companies and hiring skilled employees (Saarenketo et al. 2004). Accordingly, it is possible to argue that the born globals of our sample gather markets information through other sources, for example through networks.

- In Model 4, the international marketing capability was added in addition to the control variables and the two organisational capabilities variables. The *pseudo-R²* equals to 0.18, which means that 18 per cent of the variation in the dependent variable is associated with variation in the predictors. In addition, its related significance level is very small. Hence, Model 4 may be considered statistically significant. The coefficient on the international marketing capability was negative and statistically insignificant. In other words, there is a negative but not significant association between the two variables. These results corroborate Hypothesis 1 and Hypothesis 2, but do not support Hypothesis 3. It seems that companies with higher international marketing capability have lower probability of being born globals. This is not surprising because existing literature confirms that marketing capability has a direct positive relationship with firm performance, no matter what kind of firm it is (Morgan et al. 2009; Song et al. 2008). In addition, Song et al.'s (2008) cross-country examination found that marketing capabilities might be less relevant

for companies that show a more proactive posture than for companies that are less proactive in their strategy.

- › Finally, the international networking capabilities' effects were included in the full Model (Model 5). The *pseudo-R²* equals to 0.19, which means that 19 per cent of the variation in the dependent variable is associated with variation in the predictors. In addition, its related significance level is very small. Hence, Model 5 may be considered statistically significant. This final Model 5 includes all the independent variables (i.e. international entrepreneurial orientation; international market knowledge capability; international marketing capability and international networking capability) and the control variables (namely, firm size and age). The Model 5 firstly corroborates the previous assumptions; lastly, it shows that the coefficient of international networking capability is positive and significant, indicating that the probability of being classified as born global would be higher when companies develop an international networking capability. This result supports Hypothesis 4. Indeed, networks often are critical in providing the type of information that contributes to lowering risk and uncertainty inherent in international operations and they facilitate the acquisition of knowledge and the development of complementary resources (Coviello and Cox 2006; Loane 2006; Tang 2011). Companies that achieve instant internationalisation have tended to demonstrate higher levels of strategic proactiveness in networking (Coviello 2006). Mort and Weerawardena's (2006) study also provides empirical evidence of born global firms that view networking as entrepreneurial opportunity-seeking behaviour and undertake networking proactively. The Authors apply a dynamic capability framework in understanding a firm's network capability as "a purposeful set of routines within its networks, resulting in the generation of new resource configurations and the firms' capacity to integrate, reconfigure, gain and release resource combinations" (Mort and Weerawardena 2006, p. 558). Based on extant literature, networking capability helps born globals to acquire knowledge, develop strategies and maintain relationship to assist them in accelerating their global expansion (Coviello and Munro 1995; Han 2006).

7.3. Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?

In this section, internal organisational capabilities are hypothesised as having an influence on international performance of the firm, taking into account the role of six control variables (notably, firm size, firm age and the four organisational capabilities). In addition, one dummy variable was employed as independent, that is, the probability for a company of being classified as born global (namely, born globals were coded as “1” and traditional exporters were coded as “0”). International performance on global markets (operationalised as export intensity, that is, the percentage of foreign sales on total sales) is the dependent variable. In other words, in order to answer the second research question and to test the derived research hypotheses (i.e., Hypothesis 5 and Hypothesis 6), simple linear regression analyses were carried out. In particular, linear regression was firstly carried out in order to verify if born globals perform better than traditional exporters companies do. In sum, this section aims at testing whether born globals perform significantly better (or worse) than traditional exporters (after controlling for differences in age, size and organisational capabilities). Before presenting linear regression results, this section briefly clarifies some statistical underpinnings. The present work used this type of regression because independent variables may be continuous (meaning that they may assume all values within a range) or they may be dichotomous (meaning that the variable may assume only one of two values, for example, 0 or 1).

The following Table 7.2 reports the main outputs of the linear regression analyses. It reports also some model fitting information and parameter estimates (R^2 and F -test). Model fitting information is useful to verify whether the model provides adequate predictions. Table 7.2 shows the number of observations used in the regression analysis. The number of observations in the full sample ($N=253$) was larger than the sum of the sample used for the statistical analysis ($N=214$). Some international firms could not be classified into a subgroup (i.e. born global or traditional exporter) due to missing information about international sales during the first six years of internationalisation (that is, the speed dimensions). Despite great efforts to recover the missing data, we were not able to obtain this information from managers or from other secondary sources. The R^2 is another useful measure of how well the model fits

the data. It may be defined as the proportion of the variance of the dependent variable that is explained by the independent variables. The R^2 values of this PhD thesis are satisfying and past studies reported the same values or smaller ones (Schwens and Kabst 2009b). The F -ratio is the ratio of the average variability in the data that a given model can explain to the average variability unexplained by the same model. It is used to test the overall fit of the model in linear regression analysis. In addition, Table 7.2 indicates the estimation for each of the six independent variables. The interpretation of the results depends on both the sign and the magnitude of each variables estimate and by their statistical significance (as indicated by the p -value). For a better comprehension of the linear regression outputs, a “star” will indicate only the significant results. As regards the statistical significance, variables that show a statistically insignificant relation (that is, variables that show a p -value lower than 0.05) with the dependent variables have not to be interpreted. As regards the sign, a positive sign indicates that the control and the independent variables are positively associated with the dependent variable. This means that an increase in the control and in the independent variables will cause an increase in the dependent variable (and vice-versa).

Table 7.2 – Linear regression results

	Variable	Model 1: Control variables	Model 2: Hypothesis 5
Step 1: Control Variables	Company size	3.95*	3.62 *
	Company age	0.15	4.79*
	International entrepreneurial orientation	20.34*	15.6*
	International market knowledge capability	-5.30	-2.06
	International marketing capability	1.8	2.51
	International networking capability	-2.23	-3.8
Step 2: Independent Variables	Born global vs traditional exporter		19.5*
Main statistical coefficients	R2	0.27	0.38
	F-ratio	12.50	17.39
	Number of observations	214	214
Dependent Variable: export intensity			
* $p < 0.05$			

Source: author’s personal elaborations.
“Star” indicates the significant variables

After explaining some statistical underpinnings, the following section comments on the linear regression findings.

- Model 1 introduces only the control variables (namely, firm size, firm age and organisational capabilities). R^2 equals to 0.27, which means that 27 per cent of the variation in the dependent variable is associated with variation in the predictors. The F -ratio is large (i.e., 12.50) and its related significance level very small. The coefficients of size, age, international entrepreneurial orientation and international marketing capability are positive. However, only the coefficients of size and international entrepreneurial orientation are statistically significant and have to be interpreted. The other findings indicate positive but not statistically significant association. A positive association between size and export intensity indicates that larger firms may have higher export intensity. In other words, larger size indicates a higher probability of performing better in global markets. Table 7.2 reveals a positive and significant association between international entrepreneurial orientation and export intensity. This means that a higher level of international entrepreneurial orientation indicates a higher probability of outperforming competitors on global markets. This is not a surprising result. Indeed, it confirms the positive correlation between international entrepreneurial orientation and performance. Numerous studies reported the strong impact of this capability on export intensity. According to De Clercq et al. (2005, p. 417), “... firms that undertake bold, aggressive actions or are willing to assume risks may be more likely to develop a long-term, substantial presence in the international arena, compared to firms that are reactive or conservative”. Similarly, companies that are driven by managers with an aggressive approach to opportunity identification, risk-taking and innovativeness perform better than their competitors (Jantunen et al. 2005; Ripollés-Meliá et al. 2007; Kuivalainen et al. 2010; Knight and Cavusgil 2004). In addition, the results of the regression analysis show a negative association between some control variables (namely, age, international market knowledge capability and international networking capability) and export intensity, but these findings are statistically insignificant, because the relative p -value is higher than 0.05.
- Finally, the full Model (Model 2) also introduced the dichotomous variable (i.e. 1= born global; 0= traditional exporter). R^2 equals to 0.38, which means that 38 per cent of the variation in the dependent variable is associated with

variation in the predictors. The *F-ratio* is large (i.e., 17.39) and its related significance level very small. The sign of the coefficient strongly validates Hypothesis 5, which asserts that born global companies perform better than their counterparts. This is an interesting result, because the very limited previous studies comparing born globals and other internationalising companies reported contrasting findings. For instance, in their study, Jantunen et al. (2008, p. 167) found "... the differences between born globals and born-again globals were not considerable". On the contrary, Hagen (2010) found that entrepreneurial growth companies performed better than their counterparts. These are very limited exceptions, because other researchers that compare born globals and other internationalising companies do not mention the level of performance among the identified subgroups (McDougall et al. 2003; Dib et al. 2010; Cabrol and Nlemvo 2009; Tuppura et al. 2008).

Summarising, the linear regression findings show that a firm will have a higher international performance when it belongs to a larger size, its founder/managers have a higher level of entrepreneurial orientation and it experiences early and rapid global expansion.

Given these positive results, this PhD dissertation finally examines the reason why born global perform better than traditional exporters. One possible explanation is that some organisational capabilities affect their international performance. Thus, a second linear regression analysis with Stata was carried out. The linear regression analysis was carried out only for the born global subgroup (N=109 companies). In this case, organisational capabilities are hypothesised as having an influence on international performance of born global companies, taking into account the role of two control variables (notably firm age and size). In other word, in this last linear regression analysis, the dependent variable is the export intensity of born globals; the independent variables are the organisational capabilities; the control variables are the born globals' age and size. Before presenting the findings, this section firstly clarifies some statistical underpinnings.

The Table 7.3 reports the main outputs of the linear regression analyses. It reports also some model fitting information and parameter estimates (R^2 and *F-test*). Model

fitting information is useful to verify whether the model provides adequate predictions. Table 7.3 shows the number of observations used in the regression analysis (i.e., 109 observations). The R^2 is another useful measure of how well the model fits the data. It may be defined as the proportion of the variance of the dependent variable that is explained by the independent variables. Although the R^2 values ($R^2= 0.03$ in the Model 1 and $R^2= 0.08$ in the Model 2) are rather modest, the Models are statistically significant. In addition, past studies reported the same values (Jantunen et al. 2008). The F -ratio is the ratio of the average variability in the data that a given model can explain to the average variability unexplained by the same model. It is used to test the overall fit of the model in linear regression analysis. The interpretation of the results depends on both the sign and the magnitude of each variable's estimate and by their statistical significance (as indicated by the p -value). As regards the sign, a positive sign indicates that these variables are positively associated with the dependent variable. A negative sign indicates that these variables were negatively related to the dependent variable. This means that a decrease in the independent variables will cause an increase in the dependent variable (and vice-versa). As regards the statistical significance, variables that show a statistically insignificant relation (that is, variables that show a p -value higher than 0.05) with the dependent variables have not to be interpreted. Only one of the four independent variables was found to be related significantly to the born globals' international performance. For a better comprehension of the linear regression outputs, a "star" indicates the significant variables.

Table 7.3 – Linear regression results

	Variable	Model 1: Control variables	Model 2: Hypothesis 6
Step 1: Control Variables	Company size	2.49	2.45
	Company age	2.06	1.48
Step 2: Independent Variables	International Entrepreneurial Orientation		9.28*
	International market knowledge capability		-3.98
	International marketing capability		0.43
	International networking capability		-1.28
Main statistical coefficients	R2	0.03	0.09
	F-ratio	1.66	1.66
	Number of observations	109	109
Dependent Variable: born globals' export intensity			
*p<0.05			

Source: author's personal elaborations.
"Star" indicates the significant variables

After explaining some statistical underpinnings, the next section comments on the logistic regression findings.

- Model 1 reported only control variables: it is used as the base model. R^2 equals to 0.03, which means that 3 per cent of the variation in the dependent variable is associated with variation in the predictors. The F -ratio is modest (i.e., 1.66) and its related significance level very small (less than 0.005). Thus, Model 1 may be considered statistically significant. As Table 7.3 shows, both the coefficient of size and age are positive. This means that bigger and older born globals might have higher international performance. However, these findings are statistically insignificant (p -value is higher than 0.05). This may mean that age and size do not affect the born globals' international performance.
- Model 2 introduced the other independent variables (namely, organisational capabilities). R^2 equals to 0.09, which means that 9 per cent of the variation in the dependent variable is associated with variation in the predictors. The F -ratio is modest (i.e., 1.66) and its related significance level very small (less than 0.005). Thus, Model 2 may be considered statistically significant. However, only the coefficient of the international entrepreneurial orientation is significant and positive. This means that a higher level of international entrepreneurial orientation might explain the higher level of export intensity of born global companies. The coefficient of international market knowledge and networking capabilities are negative: it seems that these two capabilities negatively affect the international performance of born globals, but these results are statistically insignificant. In addition, the positive association between international marketing capability and born globals' export intensity is statistically insignificant.

Summarising, these results partially support Hypothesis 6, which asserts that organisational capabilities affect the international performance of born global companies. In particular, only international entrepreneurial orientation positively and significantly affects the global performance of born globals. This is a very interesting result. On one hand, many past studies found that international entrepreneurial orientation is positively associated with performance (Wiklund and

Shepherd 2003; Zahra and Covin 1995); on the other hand, the empirical findings are not altogether consistent. Lee et al. (2001) found only weak evidence of a positive association with the start-up's performance. Lumpkin and Dess (1996) considered the relationship with performance to be context-specific. Jantunen et al. (2008, p. 167) found that entrepreneurial orientation had a significant and positive effect on international performance among the firms that had chosen to internationalise gradually or slowly, but not among the born globals. Moreover, the findings of Zahra and Garvis (2000) highlight the importance of entrepreneurial activities for success in general, but also on international markets, because entrepreneurial orientation supports opportunity recognition and exploitation in expansion to new markets. They suggest that entrepreneurially oriented firms actively seek new operating modes and methods that improve performance and facilitate the achievement of new valuable resource configurations. Hence, there is reason to assume that international entrepreneurial orientation contributes positively to international performance. The results of this PhD thesis are in line with the study of Kuivalainen et al. (2010), which found a negative association between organisational capabilities and born global performance. In this regards, Authors stated, "the more interesting question is if the inclusion of capabilities as determinants of internationalisation and international performance is fruitful. Based on our results, the answer is affirmative, although we have to admit that there are not too many significant linkages between capabilities and internationalisation in our sample" (Kuivalainen et al. 2010, p. 148). In addition, to the best of our knowledge, only a few studies have analysed the direct impact of organisational capabilities on born global export intensity (Kuivalainen et al. 2010; Kacak and Abimbola 2009). Among these exceptions, other scholars examined this relation, but resources and/or capabilities mediated this association. For instance, Knight and Cavusgil (2004) asserted that international entrepreneurial and international marketing orientations, influencing business strategies, finally affected positively the international performance of born global companies. Kocak and Abimbola's (2009) study indicates that entrepreneurial capital, market orientation and entrepreneurial orientation are related to innovation and finally affected the positive performance of born globals. Weerawadena et al. (2007) presented an internationalisation framework where some dynamic capabilities, generated by superior competences of company founders, led born globals to develop knowledge

intensive products that finally facilitated international performance. However, the Authors did not report any empirical evidence. Summarising, extant literature has not examined the direct relation between organisational capabilities and international performance clearly. Therefore, this PhD dissertation aims at empirically shedding more light on this relevant topic.

7.4. Discussion of the results

Departing from a conceptual model and based on a thorough review of the literature, the empirical analysis of this PhD thesis found significant differences between born globals (that is, companies that have experienced early and rapid internationalisation) and traditional exporters (that is, companies that have followed a traditional internationalisation path) in a sample of Italian manufacturing SMEs. The analyses of this study showed that some organisational capabilities (i.e., international entrepreneurial orientation and international networking capability) strongly distinguish born globals from traditional exporters. Indeed, the findings confirm that born globals perform significantly better than traditional exporters and that their performance on global markets is affected by a strong international entrepreneurial orientation.

Moreover, findings confirm that early and rapid internationalisation is a function of firm-specific factors. Specifically, companies founded by entrepreneurs/managers who are proactive and well experienced in international business, and companies that develop networking capabilities have a higher probability of experiencing early and rapid internationalisation.

The results of this PhD dissertation support earlier research, which has pointed out how the RBV and the dynamic capability view (McDougall et al. 1994; Knight and Cavusgil 2004), network (Coviello 2006, Loane and Bell 2006) and Entrepreneurship (Di Gregorio et al. 2008; Zahra 2005) perspectives give important insights into the understanding of born globals. Accordingly, the global orientation and the proactive posture of the management/entrepreneur increases the probability of being a born global. The entrepreneur/manager is regarded as an effectuator, that is, “an imaginative actor who seizes contingent opportunities and exploits any and all means at hand to fulfil a plurality of current and future aspirations, many of which are shaped and created through the very process of economic decision making and are

not given a priori" (Sarasvathy 2001, p. 262). Born globals success depends on how the entrepreneurs/managers collectively seek and select information, estimate environmental opportunities and consequently decide upon business position, processes and actions that result in or contribute to global expansion (McDougall et al. 1994; Crick and Spence 2005; Sasi and Arenius 2008). According to Madsen and Servais (1997) and Zucchella et al. (2007), the entrepreneur is a key antecedent of a born global, adding other differentiating features such as former international experience and education with a background that facilitates accessing networks of contacts and resources. All these characteristics and attitudes enhance the founder's ability to see and exploit opportunities and contribute to successful internationalisation. Another significant finding of this study is that international entrepreneurial orientation has a positive and significant effect on a firm's global market performance. This further confirms the positive effect of entrepreneurship on performance (Jantunen et al. 2005; Kuivalainen et al. 2007; Keh et al. 2007; Zhang et al. 2009). Moreover, as emphasised by the RBV, decision makers' skills and knowledge may be the most important asset for the SMEs' international activity, often acting as a substitute for the potential scarcity in resources specific to smaller firms (Boter and Holmquist 1996; Stoian et al. 2011). These findings support both RBV and Entrepreneurship perspectives.

Furthermore, the availability and the use of existing contacts support the network view. Several scholars noticed that born globals typically leverage networking capability to facilitate early/rapid internationalisation and achieve success in foreign markets (Karra et al. 2008; Thai and Chong 2008). Knowledge combination in networks is indeed a complex capability that can be proactively exploited by firms to get ahead of competitors (Tolstoy 2009). As literature confirms, born global companies are resource constrained and therefore have to tap into networks for the knowledge they need for their international endeavours (Coviello 2006; Lu and Beamish 2006; Saarenketo et al. 2004; Sharma and Blomstermo 2003; Crick and Jones 2000; Coviello and Munro 1995; Han 2006). The ability to exploit networks is a dynamic capability (Mort and Weerawardena 2006): if done well, it constitutes a strategic dynamic capability for these firms (Evers 2011b). Given the limited resource base and highly competitive global markets, born globals use networks in order to gather information, knowledge and resources and, where there is potential, a

strategic collaboration. This study concludes that born globals possess the dynamic capability to progressively seek resources and build capabilities using their external ties, as their limited resource bases necessitate (Mort and Weerawardena 2006). It is essential for SMEs to plan and invest in networking effectively and deliberately, so that resources are invested in cultivating and maintaining relationships with prominent partners to support their growth in the global marketplace (Beekman and Robinson 2004; Dimitratos et al. 2003). Therefore, networking should be developed as a capability and conducted as a strategic activity of firms (Tang 2011).

Surprisingly, international market knowledge capability does not influence the probability of being classified as a born global. Even if this finding was unexpected, one may observe that other items related to market knowledge (included, for instance, in the networking capability construct) were the strongest predictor of the dependent variable in the estimated model. These results confirm that organisational capabilities are more complementary and synergistic than conflicting. In this line, these findings seem to demonstrate that mainly market knowledge capability and international networking capability are strongly interrelated. Consequently, this thesis suggests that the variable “knowledge of the markets” may have implicitly incorporated also the experience of the entrepreneur and managers with foreign markets or the information about customers/competitors gathered through networks. In addition, born globals may obtain information about foreign markets through relationships established with their partners.

Summarising, the born globals of our sample seem to prefer network connections in order to obtain information about markets and customers. These findings support the view that network ties may help born globals to go international by supplying intelligence about clients and markets (Majkgård and Sharma 1998; Sharma and Blomstermo 2003). As some studies reported (Evers 2011a; Loane and Bell, 2006; Evers and O’Gorman, forthcoming), companies utilised network relationships to obtain information, resources, capabilities and the access to exchange partners to respond to foreign market opportunities. It could be argued that knowledge is shared outside the companies with their network ties (Evers 2011a). The born globals of our sample seem to use their external contacts to acquire, disseminate and respond to market intelligence to enhance export performance. In their case studies about Spanish born globals, Rialp et al. (2005b) found some critical discrepancies between

the investigated born globals and traditional exporters. As the Authors discussed, “while for a majority of traditional exporters the accumulation of experiential foreign market knowledge has become a key component of their internationalisation processes, the two born global firms have particularly benefited from their partners’ experiential knowledge in multiple markets alike instead of slowly accumulating the knowledge themselves on a country-by-country basis as the gradualist model predicts” (Rialp et al. 2005b, p. 165). Such evidence suggests that a different approach to learning seems to characterise born globals’ internationalisation experiences, as other researchers have recently found (Schwens and Kabst 2009b; Rialp et al. 2005b; Saarenketo et al. 2004). Additionally, according to Saarenketo et al. (2004, p. 367), “rapid internationalisation simply demands rapid learning”. In this regard, literature reported on how other complementary ways shorten the time to enter international markets (Forsgren 2002; Huber 1991; Saarenketo et al. 2004). For example, companies could learn through grafting (Huber 1991), that is, firms can acquire another to get access to its knowledge base, resources and capabilities, or it can recruit the most competent managers with idiosyncratic tacit knowledge that the acquiring firm is lacking (Segelod 2001; Saarenketo et al. 2004). Furthermore, companies may learn through imitating. For example, Schwens and Kabst (2009b) argued that born globals are more likely to learn from the experience of others and from imitation of best practice companies. According to the institutional theory (Scott 1987), companies tend to learn by imitating actions that have been taken by large numbers of firms, because such practices have in a way survived the market selection test and hence got legitimised (Yamakawa et al. 2008; Fernhaber and Li 2010; Kiss and Danis 2008; Cheng and Yu 2008). From another viewpoint, some born global theorists also point to the burgeoning capacity of communications technologies to help born global firms acquire knowledge, develop strategies, and maintain relationships to assist them in accelerating their internationalisation (Knight and Cavusgil 2004). Finally, companies could learn through networking (Saarenketo et al. 2004). Firms can gain access to new knowledge bases created by other firms through partnerships and network relationships, without precisely having to go through all of their experiences. At its best, collaboration may offer a faster track to international markets. The empirical findings of this PhD dissertation strongly support this assertion. It is also interesting to notice that, in the fast evolving business

environment of SMEs, there is a danger that all learning is seen as a good thing. It has to be noted, “learning can be as much a core rigidity as a core competence” (Cassells 1999, p. 251). The firms have to be able also to unlearn and discover entirely new ways of conducting business. Therefore, Hypothesis 2 is not supported, but there is strong evidence to suggest that different typologies of learning, mainly networking, may justify the early and accelerated internationalisation of born global companies. Indeed, the results of this PhD thesis seem to confirm that networks have been much more rapidly and widely developed, thus enabling them to achieve global reach quickly and expediting their simultaneous access to foreign markets (Burgel and Murray, 2000; Chetty and Campbell-Hunt, 2004). Although born globals should also have good market knowledge capabilities, their abilities to enter the global markets early and rapidly are more closely tied to the global managerial orientation of the founders and the development of networks.

Furthermore, this piece of research confirms that networks are more important in accelerating the internationalisation of companies than influencing their performance on global markets. In fact, empirical examinations reported that neither international market knowledge capability nor international networking capability affect significantly the export intensity of born global companies.

Lastly, the empirical analyses show that international marketing capability affects neither the probability of becoming a born global nor their international performance. In fact, the regression results show negative but insignificant associations. As McDougall and Oviatt (1996, p. 27) explained, the marketing (and management) competences and skills, which provide the exporting SMEs with competitive advantage in its domestic and current international markets, may not be the same as those that create advantage in new international target markets. As an outcome for this, when a firm expands internationally, it must learn how to change and adapt their export or internationalisation strategies “to be congruent with their new environment”.

In sum, the empirical findings of this work demonstrate that, on one hand, born globals develop greater international entrepreneurial orientation and international networking capability in order to pursue “first-to-market” initiatives on global markets. On the other hand, traditional exporters develop greater international market knowledge and international marketing capabilities because they have

entered global markets later and they have had more time to track changes in customer needs, in order to improve the knowledge of the competitors/customers and develop skills in integrating marketing activity.

8. CONCLUSIONS

“For many smaller enterprises, the most important barrier to internationalisation is the paucity of skills and abilities (...).

We are urged to give SMEs effective help with their business and not merely give them technical solutions”
(Zucchella et al. 2010, p. 320)

Introduction

Drawing on the resource-based view (RBV hereafter) and dynamic capability view, this PhD dissertation examined the effects of some organisational capabilities (namely, international entrepreneurial orientation; international market knowledge capability; international marketing capability and international networking capability) on the probability of becoming a born global (that is, a company that has experienced early and rapid expansion in global markets). In addition, this thesis shed more light on the performance of born globals. This conclusive Chapter is structured as follows. Firstly, it discusses the contributions of this dissertation to extant literature (Section 8.1). Then, the discussion shifts to a further synopsis of the quantitative findings (Section 8.2). Lastly, an evaluation of the limitations of the study and associated fruitful “emerging issues in management” for future research conclude the thesis (Section 8.3).

8.1. Contribution of the PhD thesis to the literature

International Entrepreneurship (IE hereafter) represents an evolving and promising field of study both for research and for practitioners. The interest in the topic arises from the consideration that there is a potential connection between the entrepreneurial posture of the firm and its long-run performance (Knight 2000; Zahra and Garvis 2000). The entrepreneurial posture is, on the one hand, expressed through its internationalisation strategy and, on the other hand, it is fed by it, which unfolds wider and more diversified growth opportunities. According to Oviatt and McDougall (2005a, p. 539), “IE is the discovery, enactment, evaluation and

exploitation of opportunities, across national borders, to create future goods and services". In short, companies with an entrepreneurial posture are risk-taking, innovative and proactive (Covin and Slevin 1991, p. 7).

Research in IE has grown over the past decades, as the many literature reviews on the topic have suggested (Zahra and George 2002; Coviello and Jones 2004; Keupp and Gassman 2009; Coombs et al. 2009; Jones et al. 2011). IE is distinguished by a multiplicity of approaches. A major issue within the IE field is the lack of a commonly agreed and comprehensive theoretical framework, even though a tendency towards a growing integration of approaches and models has been observed (Shane and Venkataraman 2000; Jones and Coviello 2005; Zucchella and Scabini 2007). Indeed, this recent area of study, although rich with ideas in many dimensions, is still lacking a solid and accepted theoretical basis (Keupp and Gassman 2009; Coombs et al. 2009; Cumming et al. 2009). Nevertheless, as very recently Jones et al. (2011) contended, the intellectual territory of the IE domain presents rich potential with many clearly indicated avenues for theoretical development. As the Authors pointed out, "while there may be no unifying framework per se, our ontology shows that the domain is diverse but growing in coherence. As a result, we argue that due to the multi-disciplinary and multi-theoretical nature of IE, the continuance of debate and theorising is appropriate and healthy. Furthermore, the process of thematically mapping, organising and assessing the intellectual territory of the domain identifies rich theoretical potential rather than theoretical paucity" (Jones et al. 2011, p. 17).

The identification and the typologies of International Entrepreneurial Organisation (IEOs hereafter) and the underlying determinants of their growth have been considered an interesting research area within the IE field (Zucchella and Scabini 2007). Nevertheless, this area has been not too much explored till now. Literature typically addresses two special cases of IEOs. The former is represented by new firms that engage in global markets from their foundation; the latter by established subsidiaries that compete entrepreneurially in the markets. However, the scope of IE has broadened since the initial work of Oviatt and McDougall (1994), which emphasised small International New Ventures. Researchers now view IE as a more general phenomenon, which also encompasses the entrepreneurial qualities of larger, established companies (Zahra 2005; Keupp and Gassman 2009). Therefore, following firstly Zucchella and Scabini's (2007) and secondly Zucchella's (2010a) work, this

dissertation introduced the underexplored topic of the IEOs. This work presented them and mapped their expansion into global markets. Furthermore, for the first time, this PhD dissertation illustrated also a particular case of International Entrepreneurial Organisations, or better, Global Entrepreneurial Organisations, that is, Market Driven Organisations (MDOs hereafter). Among these different categories of IEOs, this PhD dissertation contributed to the advancements of knowledge about a particular typology of IEOs, namely, born global companies. More in detail, this work aims to contribute to a better conceptualisation and understanding of the born global phenomenon by developing an integrative model of the literature on distinctive organisational capabilities that have been advanced to explain why certain firms follow an early and accelerated internationalisation process, while others adopt a traditional approach to internationalisation. Secondly, it sets out to advance the knowledge on born globals by exploring the factors influencing their emergence in manufacturing sectors, a largely understudied context in IE. Additionally, this thesis focused on the international performance of born global companies. In particular, it demonstrated that born globals perform much better than the traditional exporters and that a global entrepreneurial orientation affects their higher performance on global markets. In other words, this work stressed the great importance of the international entrepreneurial orientation: as empirical analyses confirm, international entrepreneurial orientation is the only organisational capability which contributes both to early and accelerated expansion and performance of born global companies in global markets. The following sections offer a synopsis of the main findings of the research questions and the respective research hypotheses.

8.2. Synopsis of research questions and research hypotheses

Drawing on the RBV and dynamic-capability view, this PhD thesis examined the effects of some organisational capabilities (namely, international entrepreneurial orientation; international market knowledge capability; international marketing capability and international networking capability) on the probability of becoming a born global. In addition, this dissertation shed more light on the internationalisation performance of born globals. It answered two wider research questions and then empirically tested the six derived research hypotheses. This section provides a

further synthesis of the main research questions' and the research hypotheses' findings.

RQ1 - Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?

This first research question examined the firm-internal factors that influence the probability that a company is a born global or a traditional exporter, because of some organisational capabilities. The RQ1 and the derived research hypotheses (H1-H4) were tested by logistic regression. The empirical analyses of this PhD dissertation partially support the first research question: in fact, logistic regression found a statistically positive and significant result only for two of the four derived research hypotheses (i.e., H1 and H4). The second hypothesis (i.e., H2) was statistically significant but negatively supported; the last one (i.e., H3) was negative and statistically insignificant. These findings confirm that a proactive posture of the managerial team and an international networking capability positively affect the probability to experience an earlier and faster global expansion. The empirical findings confirm that the international experience of the management, their proactive behaviour, their "global mindset" and "their global outlook from inception" increase the probability of early and rapid internationalisation. As Andersson and Florén (2008, p. 37) maintained, "...for the born global entrepreneurs, rapid internationalisation is the entrepreneurial action that characterises them as entrepreneurs". A similar approach can be found in Ganitsky (1989), where SMEs are labeled as "Innate Exporters", i.e. companies with innate expertise on international markets thanks to international outlook in the management. In other words, *H1 is strongly supported*. In contrast, international market knowledge capability is negatively associated with the probability of being a born global. Therefore, *H3 is not supported*. This result may be explained by the strong networking capability that characterised the born global companies of our sample. Indeed, the empirical findings *strongly support the H4*, showing a positive association between international networking capability and early and rapid internationalisation. International network contacts provide mechanisms to reduce the risk of opportunism and to facilitate learning via access to the knowledge of network members. Lack of own experience and limited resources can be substituted through experience of the network. Network

contributes to gather information of the foreign markets and it partially explains the negative association between international market learning capability and accelerated internationalisation. It seems that the born globals of our sample use their network also in order to fill the gaps of information about foreign markets and customers. Based on these findings, it is possible to argue that the born global companies of our sample gather information about foreign markets by formal and/or informal network ties.

Finally, regarding marketing capability, logistic regression's findings showed a negative and insignificant association between this capability and the probability of being classified as born global. Therefore, *H2 is not supported*. One possible explanation is that organisational capabilities, mainly marketing capability, need to evolve over time because they are dynamic by nature. Therefore, the insignificant and negative association of international marketing capability can be explained in terms of the need for more and more specialised capabilities fostered through partial replication processes.

RQ2 - Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?

The second research question examined if born globals perform better (or worse) than their counterparts. In addition, it asks if some organisational capabilities may affect their global performance. This work tests the RQ2 and the derived research hypotheses (i.e., H5-H6) through simple linear regressions. The first linear regression analysis strongly confirms that born global outperform their counterparts. Therefore, *H5 is strongly validated*. This is an interesting result, because the very limited previous studies comparing born globals and other internationalising companies reported contrasting findings. For instance, Jantunen et al. (2008, p. 167) founded that in their study "... the differences between born globals and born-again globals were not considerable". In contrast, Hagen (2010) found that the "born to run" cluster (that is, companies that are characterised by an entrepreneurial growth strategy) clearly distanced their counterparts in terms of export intensity. These are very limited exceptions, because researchers that compare born globals and other internationalising companies do not mention the level of performance among the

identified subgroups (McDougall et al. 2003; Dib et al. 2010; Cabrol and Nlemvo 2009; Tuppura et al. 2008).

However, the second linear regression suggests that *H6 is partially supported*. It shows that only international entrepreneurial orientation is significantly and positively associated with born globals performance on global markets. Extant literature strongly supports this positive association (Wiklund and Shepherd 2005; Zahra and Covin 1995; Kocak and Abimbola 2009). For instance, Zahra and Garvis (2000) highlight the importance of entrepreneurial activities for success in general, but also on international markets, because an entrepreneurial orientation supports opportunity recognition and exploitation in expansion to new markets. They suggest that entrepreneurially oriented firms actively seek new operating modes and methods that improve performance and facilitate the achievement of new valuable resource configurations. Kocak and Abimbola (2009) empirically verified that entrepreneurial orientation contributes positively to international performance.

On the contrary, international market knowledge, international marketing and international networking capabilities are insignificantly related to born globals' performance. Although there are not too many significant linkages between the investigated organisational capabilities and export intensity in our sample of born globals, the inclusion of capabilities as determinants of international performance is a fruitful topic, which has to be studied more in details.

Table 8.1 shows a complete and comprehensive summary of the research hypotheses and the empirical findings of this PhD dissertation.

Table 8.1 – Summary of hypotheses and empirical results

RESEARCH QUESTIONS/HYPOTHESES		OUTCOME	SUPPORT
RQ1	Are organisational capabilities associated with the type of internationalisation process followed, whether traditional or born global?		
H1	The higher the international entrepreneurial orientation of the management, the higher the likelihood of a firm to be classified as born global	Born globals exhibit significantly higher level of entrepreneurs'/managers' proactiveness and risk-taking than the traditional exporters; entrepreneurs/managers of born global companies are more global oriented and perceive global markets as their marketplace than traditional exporters	Strong
H2	The higher the international market knowledge capability, the higher the likelihood of a firm to be classified as born global	Born globals show a lower capability of gathering and using information relating to customers and competitors than traditional exporters	Not supported
H3	The higher the international marketing capability, the higher the likelihood of a firm to be classified as born global	Differences between born globals and traditional exporters regarding the extent to which companies engaged in international marketing activities are statistically insignificant	Not supported
H4	The higher the international networking capability, the higher the likelihood of a firm to be classified as born global	Born globals exhibit significantly higher capacity to integrate, reconfigure, gain and release resource combinations and acquire knowledge through networks than traditional exporters	Strong
RQ2	Do born globals perform better than traditional exporters? If so, do organisational capabilities influence the international performance of born global companies?		
H5	Born globals perform better than traditional exporters	Born globals are able to achieve superior performance on global markets than traditional exporters	Strong
H6	Organisational capabilities are associated with born global's international performance	Only international entrepreneurial orientation is positively and significantly associated with born globals' export intensity; all others capabilities are statistically insignificant	Partially supported

Source: author's personal elaborations

8.3. Limitations, managerial implications and future directions

This section analyses the limitations of the study (sub-Section 8.3.1) and proposes managerial implications (sub-Section 8.3.2). Finally, “emerging issues” in management will be provided (sub-Section 8.3.3).

8.3.1. PhD limitations

This study reveals that born globals constitute an increasingly distinctive pattern of SMEs. Their emergence demonstrates the formation process of small companies able to compete almost globally from inception. This is somehow inconsistent with the traditional theories of internationalisation, which assume that firms become incrementally international long after they have been established domestically (Johanson and Vahlne 1977). This confirms that youth and lack of experience, as well as paucity of financial, human and tangible resources do not hinder their global expansion and success on global markets. Early and fast internationalisation enables born globals to take advantage of narrow windows of opportunities to exploit

products in global markets “faster and better than competitors” (Brondoni 2008, p. 7).

This PhD dissertation contributes in empirically testing the existing conceptual literature on born globals and SMEs internationalisation (Zahra et al. 2006; Sapienza et al. 2006). These conceptual studies call for testing the firm level resources and examining the effects of dynamic capabilities on firms’ early and rapid global expansion. This work advances the literature that seeks explanation to internationalisation through intangible resources (Hitt et al. 1997) and warrants more research to examine how such resources facilitate subsequent expansion to achieve internationalisation goals. These issues are central to internationalising SMEs’ performance as they pursue new opportunities to leverage core competence across a broader range of markets (Knight and Kim 2009; Zahra et al. 2000).

This work fills the literature gap related to the absence of studies that compare born globals and traditional exporters. Specially, it provides empirical evidence on the differences between the two groups of companies based on some organisational capabilities. This study may encourage researchers to examine further the impact of organisational capabilities on firms’ international performance by identifying more influencing antecedents that affect it. Then, it sheds light on early and rapid internationalisation in manufacturing industries, which is an unrepresented context in IE research.

Notwithstanding these important contributions, this study has some potential limitations. Regarding the sample, it is drawn from the manufacturing industry. Future research should attempt to collect data from other industries so that the data will be more generalisable across firms in different sectors. In addition, although the author of this PhD dissertation has no reason to believe that there are validity or reliability problems, the quality of this work would increase in a longitudinal setting. Future research should also aim at increasing our knowledge regarding early and rapid internationalisation of small firms in general. There is a need to deepen our understanding of knowledge-based capabilities, which enable small firms to overcome the liability of the newness and other entry barriers. The transfer of knowledge from the entrepreneur/manager to the other members of the

organisation/network involved in early and rapid internationalisation is also a question that should be addressed in a more detailed manner in the future.

The importance of RBV, dynamic capabilities view and organisational learning theory are very interesting as well as emerging frameworks able to explain the internationalisation and the performance of born globals, but these research areas have not been explored too much until now. In general, born globals are “entrepreneurial firms”. One of their most notable characteristics is that these firms tend to exhibit a strong international entrepreneurial orientation. A substantial amount of research has examined this concept and it has become a central concept within IE stream of research. Rauch et al. (2009) point out in their meta-analysis, that more than one hundred studies dealing with entrepreneurial orientation have been conducted, which has led to a wide acceptance of the conceptual meaning and relevance of the concept. Miller (1983) conceptualised the three focal dimensions of entrepreneurial orientation as innovativeness, risk taking and proactiveness and these three dimensions have been since used consistently in the literature (Dimitratos et al. 2004). However, researchers analysed different dimensions of the international entrepreneurial orientation and they found that the several dimensions differently affected the internationalisation pace (Kropp et al. 2006) and performance of born global companies (Styles and Genua 2008; Zhou 2007). Also Jones et al.’s (2011) recent review of 323 articles raises the question of differential effects of various entrepreneurial orientation dimensions in the context of IE. According to Lumpkin and Dess (1996), different combinations of the dimensions of international entrepreneurial orientation may occur depending on the context and the type of entrepreneurial activity pursued.

The IE literature has placed considerable emphasis on the role of learning (Autio 2000; Zahra et al. 2000), but relatively little attention has been devoted to how firms learn (Zahra 2005). Absorptive capacity is important for learning, but how absorptive capacity and dynamic capabilities for internationalisation are acquired and built is poorly understood (Zahra et al. 2006). This is an important omission in literature (Cumming et al. 2009). Future research should enhance the knowledge about the learning process. In fact, literature confirms that companies could learn in different ways and these learning typologies could affect their accelerated internationalisation and performance (Saarenketo et al. 2004; Yamakawa et al. 2008; Fernhaber and Li

2010; Kiss and Danis 2008; Cheng and Yu 2008; Schwens et al. 2009b). This dissertation tests only the impact of international market knowledge capability, but scholars should test how different learning typologies affect the accelerated internationalisation and performance of born global companies. In fact, this study reports strong evidence that born globals learn in different and various ways, mainly through networks. In addition, the recruitment of team members with substantial international experience, that is, “grafted knowledge” (Huber 1991), may bring contacts with potential overseas alliance partners.

The analysis of the network relationships represents a critical point of investigation in understanding the internationalisation of the born global companies. In this vein, this thesis points out that born globals use networks mainly in order to accelerate their expansion in global markets. As Coviello (2006, p. 723) argued, “network relationships are intangible resources salient to born globals growth”. However, many researchers have identified also negative aspects of networks (Mort and Weerawardena 2006). Therefore, the effects of network on both global expansion and performance should be a focus of future enquiry, as the extant literature on networking tends to emphasise mainly positive effects.

8.3.2. Managerial and policy implications

The findings of the present PhD thesis may have several implications for both managers and policy makers. In fact, their first aim is to design and implement more tailored support programs for small internationalising companies in general and born globals in particular. The earlier and faster internationalisation process of born global companies presents an important challenge to government export promotion agencies. New and small firms often lack some critically important complementary resources, usually possessed by larger and established companies (Teece 1986). Support service providers may help small firms to access foreign markets (Inkpen and Beamish 1997) and can contribute significantly in the access to information, business contacts and in finding the needed managerial and financial resources for internationalisation (Zucchella et al. 2010). Therefore, managers as well as public policy makers have great interest in gaining additional knowledge about the way in which new firms can overcome the dual hurdles of firm establishment and international market expansion.

Firstly, international entrepreneurial orientation is a key capability of born global firms. The empirical results show that, when compared with traditional exporters, born global firms have superior value on international entrepreneurial orientation than traditional exporters. Indeed, international entrepreneurial orientation is a key determinant of a firm's global market performance. As well, this PhD thesis confirms that the background and the (international) past experience of the entrepreneur affect the accelerated internationalisation process among SMEs and their performance in global markets. Therefore, policy-makers should encourage local entrepreneurs to engage in foreign experience and support entrepreneurs who worked in a foreign company to establish and grow their own company. In addition, Alvarez (2004) finds out that the training of employees in export operations represents one of the main significant drivers of export performance. These results are consistent with those presented by Brugnoli and Molteni (2007) about Italian companies. According to Zucchella et al. (2010), these results seem to address the issue of human resources as a key factor for awareness and effectiveness of services at the micro-level.

Moreover, policy-makers should assist the efforts of young firms to enter into joint ventures with foreign firms, i.e., facilitate foreign investment: in fact, having foreign share holding or ownership raises the probability of exporting from foundation or a few years later (Naudé and Rossouw 2010). Furthermore, in order to support international entrepreneurs, local authorities should increase investment to facilitate their access to international networks, should support universities that focus on master courses with international student exchanges to create market knowledge and experience for new managers.

Secondly, the empirical findings of this thesis confirm that the development of network relationships favoured and accelerated the born global expansion on foreign markets. Collaboration makes possible the achievement of projects that exceed the capabilities of the individual small companies. Collaboration helps these companies access "supplementary competences" provided by other, independent companies. Accordingly, born global business managers and policy makers should pay more attention to these advantages. They should further strengthen their relationships with suppliers, distributors and customers in international markets. Born globals' managers should be aware of this advantage and use it to create more opportunity for

the firm. Furthermore, as Brondoni (2010, p. 4) contended, “in open markets, global competition imposes new rules (delocalised manufacturing, competitive imitation, management of unstable consumption and disloyal demand, global market perspective) which have dramatically modified the model of economic development based on isolated SMEs without global network relations”.

Finally, Jones and Crick (2000) also raise doubts about the usefulness of policymakers’ broad approach to classifying SMEs in their stages of internationalisation used in the provision of export assistance programs (non-exporters, passive and active exporters). Consistent with their findings, this PhD thesis suggests that policy-makers may adopt flexible classifications that incorporate firms engaged in international activities other than pure exporting to meet their particular requirements more effectively.

8.3.3. Born global companies as MDOs: is it an “emerging issue” in management?

Among the afore-mentioned contributions, this PhD thesis aims at suggesting some “emerging issues” in management that may contribute to research both in IE and Market Driven Management Theory (MDM hereafter). This dissertation aims at contributing to literature by studying in more detail the impact of organisational capabilities both on global expansion and performance of born global companies. The empirical findings seem to suggest that like MDOs, born globals are able to penetrate global markets “faster and better than competitors” (Brondoni 2008, p. 7). In addition, born global companies and MDOs seem to show similar organisational capabilities and entrepreneurial approaches to global markets. For example, like MDOs, born globals consider network(s) an important driver for global expansion and performance (Brondoni 2008; Mort and Weerawardena 2006; Coviello 2006). Additionally, the intangible assets play an important role both for born globals (Zahra et al. 2000; Autio et al. 2000) and for MDOs (Corniani 2010; Salvioni 2010). According to Corniani (2010, p. 1), “intangibles are the most critical resources for businesses in global competitive markets”. Based on the extant literature, this paragraph tries to demonstrate in more detail the validity of these assertions. An important remark is that these are only “emerging issues” that should improve the future research and should encourage researchers to enhance their research interests on this topic.

■ MDOs are leaders in global markets because of their “outside-in perspective”, “anticipatory approach to customer value” and “focus on time to market and demand bubbles” (Corniani 2002; Brondoni 2007; Day 1999). Specifically, the **outside-in perspective** of MDOs and their **anticipatory approach to customer value** fit very well with the **outward orientation towards opportunities** and the **proactive attitude** of the born globals of our sample. Hence, born globals and MDOs have in common this strong global entrepreneurial orientation. The born globals expansion on global markets is driven by entrepreneurial owner-managers with a geocentric (Burpitt and Rondinelli 1998) or a global mindset (Knight and Cavusgil 2004), which enables them to seek and exploit market opportunities from their foundation. Based on Harveston et al. (2000, p. 92), a global orientation is “the propensity of managers to engage in proactive and visionary behaviours in order to achieve strategic objectives in global markets”. An entrepreneurial strategic posture has been suggested as a key factor in helping companies to succeed in the global marketplace (Vorhies and Harker 2000; Knight 2000; Nummela et al. 2004b; Hagen et al. 2011). Therefore, a global entrepreneurial orientation drives both born globals and MDOs in their expansion on global markets and helps them to outperform their competitors. In other words, a global entrepreneurial orientation allows them to be the “winners” on global markets (Day 2001). Furthermore, born globals and MDOs are global entrepreneurial companies (Vallini and Simoni 2009; Majocchi and Zucchella 2008). The “outward-looking” feature of entrepreneurial companies in general and born globals in particular, fits very well with the outside-in perspective of MDOs (Brondoni 2007). It is widely recognised that established, mature firms and not just new ventures can be entrepreneurial (Stevenson and Jarillo 1990). In other words, an organisation is entrepreneurial not just because it is newly born, but because it demonstrates possession of entrepreneurial orientation over time. The existence of MDOs confirms that an entrepreneurial orientation could be recognised in companies with different size and age, not necessarily small and/or young, as happened when Entrepreneurship studies started to develop. Due to the emerging features of world markets in the direction of

growing interdependence and (partial) integration, these organisations better express the orientation that every company has to adopt in order to reach a global success in foreign markets.

■ The focus on **time-to market** (Lambin and Brondoni 2001) is paralleled by the focus of **rapidity and opportunities' seizing** of the born globals. Rapidity is inherent to entrepreneurship, especially in early stages of the entrepreneurial processes, for nascent entrepreneurs and start-ups (like born globals), but also for established firms (like MDOs), particularly in turbulent and globalised markets characterised by volatile competitors' behaviour and customer preference systems. Alertness (Kirzner 1973, 1979, 1997) is widely recognised as an ineluctable entrepreneurial skill. Time-based competition is the typical mode of competition for MDOs but also for born globals, which accelerates their expansion on global markets. As empirical findings reported (for details, see, please, Chapter 7), the analysed born globals showed a very high level of international entrepreneurial orientation, which was strongly and positively associated both with their early and fast global expansion and with their better performance on global markets. In addition, Rauch et al. (2009) describe proactiveness as an opportunity-seeking, forward-looking perspective characterised by the introduction of new services and products ahead of the competition and acting in anticipation of future demand. These findings confirm that global entrepreneurial orientation is a determinant in order to "discover, enact, evaluate and exploitate opportunities" in global markets (Oviatt and McDougall 2005b).

■ **Networks** are important drivers for global expansion and performance of MDOs (Brondoni 2008). Extant IE literature and the empirical findings of this PhD dissertation corroborate that networks may accelerate the global expansion of born global companies. Networks are vital to the discovery of opportunities, to the testing of ideas and to the garnering of resources for the formation of the new organisational structures. Networks often are critical in providing the type of information that contributes to lowering risk and uncertainty. Arguably, they facilitate the acquisition of knowledge and the

development of complementary resources (Nerkar and Paruchuri 2005; Mort and Weerawardena 2006). Blankenburg-Holm et al. (1996, p. 1049) indicated that "... the development of cooperative relationships with customers, suppliers or other business partners may be critical to foreign market entry". According to Brondoni (2007) and Chetty and Wilson (2003), also the collaborations with competitors may be the best source of complementary resources or up-to-date information in a rapidly changing business environment. Therefore, both MDOs and born globals may take advantages from the collaboration with competitors. In other words, building and maintaining relevant, superior and effective networks are an integral part of a successful expansion in global markets both for born globals (Liesch et al. 2002) and for MDOs (Brondoni 2007).

■ The **intangible assets** play an important role both for born globals (Zahra et al. 2000; Autio et al. 2000) and for MDOs (Corniani 2010; Salvioni 2010). In this regard, Corniani (2010, p. 1) correctly asserted, "... intangibles are often becoming the most critical resources for businesses in global competitive markets". Furthermore, intangible assets and capabilities enable MDOs to achieve positions of sustainable competitive advantage, ultimately resulting in superior performance in global markets (Day and Wensley 1988; Hunt and Morgan 1995; Brondoni 2002). Recent theoretical research demonstrated that MDOs and born globals outperform their competitors on global markets (Day 1994; Hunt and Morgan 1995). It is interesting to note that these predictions are largely based on the idea that these organisations develop knowledge, skills, resources and ultimately capabilities, which are rare, heterogeneous and difficult to imitate (Barney 1991; Hunt and Morgan 1995). The RBV and the dynamic capability approach are considered relevant both by researchers within the MDM perspectives (Day 1994; Brondoni 2008) and by scholars within IE stream of research (McDougall et al. 1994; Knight and Cavusgil 2004; Kuivalainen et al. 2010). Moreover, firms compete within an existing market structure and the winners are organisations (both small and large in size) that, based on certain distinctive capabilities, faster and better than the competitors, are able to understand emerging customer needs, to fulfil not-

sufficiently satisfied needs and to provide the market with superior customer value (Brondoni 2007). It is important to notice that it is not just the existence of the resources, but also how this resource-base is used (Teece et al. 1997) that has an effect on behaviour and success on global markets. In our view, opening up the black-box between companies' resources and capabilities and their global expansion is needed to better understand the underlying reasons and mechanisms that drive the companies' expansion on global markets. The empirical findings of this thesis seem to confirm past studies, which argued that organisational resources and capabilities enable both born globals and MDOs to achieve positions of sustainable competitive advantage on global markets.

- According to Day (1994, p. 44), “MDOs are distinguished by ability to sense events and trends in their markets ahead of their competitors. They can anticipate more accurately the response to actions designed to retain or attract customers, improve channel relations or thwarts competitors. They can act on information in a timely, coherent manner because the assumptions about the market are broadly shared”. In other words, businesses that possess the **ability to learn rapidly** about their markets and act on that information are best positioned to achieve competitive advantage (Day 1994; Slater and Narver 1994; Tuominen et al. 2004). MDOs possess the ability to generate, disseminate and respond to information about market forces and market conditions better than their rivals (Kohli and Jaworski 1990; Jaworski and Kohli 1993). According to Sciarelli (2008, p. 4), “the process of acquiring information from outside must focus on learning that can derive from interaction with other parties operating on the market”. Extant literature reported that this capability also characterises born global companies. It is evident from the findings of this thesis that born global have found another way of improving their knowledge about competitors/customers, for example, through networks. These assertions seem to support the hypothesised parallelism between born globals and MDOs also regarding their ability to learn about their target markets.

■ Past studies stated that MDOs possess strong **marketing capabilities**. Marketing capabilities can therefore be defined as integrative processes designed to apply the collective knowledge, skills and resources of the firm to the market-related needs of the business, enabling the business to add value to its goods and services and meet competitive demands (Day 1994). Creating superior customer value is a major goal for MDOs (Brondoni 2008). Marketing capabilities may be significant determinants of success even for born global companies (Zahra et al. 2000). This thesis found an insignificant relation between marketing capability and probability of being born global. However, this dissertation considers the importance of this capability in accelerating their expansion into global markets. According to Vorhies et al. (1999, p. 1175), "...marketing capabilities are developed when the firm's marketing employees repeatedly apply their knowledge and skills (an intangible resource) to solving firm's marketing problems". Thus, marketing capabilities can be thought of as integrative processes by which knowledge-based resources and tangible resources come together to create valuable outputs. In other words, the development of marketing capability is a process that requires time. This is especially true for born globals. Therefore, it is possible to argue that born globals develop marketing capability in the long run and hence it becomes important when companies are established on global markets.

Summarising, the previous discussion seems to support the initial suggestion that born globals may be considered a "special case" of MDOs. All these assumptions confirm and enhance the choice to study born globals. As the empirical findings of this work reported, born globals seem to be the only category of IEOs that will be able to become MDOs and to obtain high performance on global markets. Furthermore, it is possible to conclude that IE and MDM theories often overlap in their theoretical foundations and they can be fully integrated (Majocchi and Zucchella 2008; Vallini and Simoni 2009). Indeed, born globals may represent the initial stage of every company that has the ambition to outperform its competitors on global markets, in other words, to become a MDO.

This PhD thesis has tried to contribute both to IE and MDM theory. It may represent a first attempt to demonstrate that these two acknowledged and renowned perspectives overlap and do not constitute two contrasting areas of research.

Finally, given the performance advantages witnessed by the MDOs on global markets, future research should analyse what were MDOs. The empirical analyses of this dissertation seem to confirm that there is a high probability that many MDOs were born global companies. According to Vallini and Simoni (2009, p. 8), “in every case, market driven, in the same way as entrepreneurship, is not a concept that has an absolute meaning, in the sense that a firm is or is not market-driven. It is a matter of intensity”. It is therefore an entrepreneur’s responsibility to decide how much market driven the organisation should be, consistently with the set of resources and competences it can acquire or develop and with the state and the predictable dynamics of the competition space. This is again an “emerging issues” in management, but it may be a fruitful new field of study.

This section concludes this PhD thesis after analysing the limitations of this study and suggesting fruitful future directions, which should stimulate further research on the investigation of the born global phenomenon.

REFERENCES

- Aaby, N.E. and Slater, S.F. (1989). Management Influences on Export Performance: A Review of the Empirical Literature 1978-88. *International Marketing Review*, 6:4, 7-26.
- Acedo, F.J. and Jones, M.V. (2007). Speed of internationalization and entrepreneurial cognition: Insights and a comparison between international new ventures, exporters and domestic firms. *Journal of World Business*, 42:3, 236-252.
- Acs, Z., Dana, L.P. and Jones, M.V. (2003). Toward New Horizons: The Internationalisation of Entrepreneurship. *Journal of International Entrepreneurship*, 1:1, 5-12.
- Alvarez, R. (2004). Sources of export success in small-and medium-sized enterprises: the impact of public programs. *International Business Review*, 13:3, 383-400.
- Alvarez, S.A. and Barney, J.B. (2001). How Entrepreneurial Firms Can Benefit from Alliances with Large Partners. *The Academy of Management Executive*, 15:1, 139-148.
- Amit, R. and Schoemaker, P.J.H. (1993). Strategic assets and organizational rent. *Strategic Management Journal*, 14:1, 33-46.
- Ancona, D.G., Goodman, P.S., Lawrence, B.S. and Tushman, M.L. (2001). Time: A New Research Lens. *The Academy of Management Review*, 26: 4, 645-663.
- Andersen, O. (1993). On the Internationalisation Process of Firms: A Critical Analysis. *Journal of International Business Studies*, 24:2, 209-231.
- Andersen, O. (1997). Internationalization and Market Entry Mode: A Review of Theories and Conceptual Frameworks. *Management International Review*, 37:2 (Special Issue), 27-42.
- Andersen, O. and Kheam, S. L. (1998). Resource-based theory and international growth strategies: an exploratory study. *International Business Review*, 7:2, 163-184.
- Anderson, P.F. (1986). On method in consumer research: A critical relativist perspective. *Journal of Consumer Research*, 13:2, 155-177.
- Andersson, S. (2004). Internationalization in different industrial contexts. *Journal of Business Venturing*, 19:6, 851-75.
- Andersson, S. and Florén, H. (2008). Exploring managerial behavior in small international firms. *Journal of Small Business and Enterprise Development*, 15:1, 31-50.
- Andersson, S. and Wictor, I. (2003). Innovative internationalisation in new firms: Born-globals-the Swedish case. *Journal of International Entrepreneurship*, 1:3, 249-276.

- Arenius, P. (2005). The Psychic Distance Postulate Revised: From Market Selection to Speed of Market Penetration. *Journal of International Entrepreneurship*, 3:2, 115-131.
- Arrigo, E. (2009). Market-Driven Management, Global Competition and Corporate Responsibility. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Aspelund, A., Madsen, T.K. and Moen, O. (2007). A review of the foundation, international marketing strategies, and performance of international new ventures. *European Journal of Marketing*, 41:11/12, 1423-1448.
- Athanassiou, N. and Nigh, D. (2002). The Impact of the Top Management Team's International Business Experience on the Firm's Internationalization: Social Networks at Work. *Management International Review*, 42:2, 157-181.
- Aulakh, P.S. (2007). Emerging multinationals from developing economies: Motivations, paths and performance. *Journal of International Management*, 13:3, 235-240.
- Autio, E. (2005). Creative Tension: the Significance of Ben Oviatt and Patricia McDougall's Article "Toward a Theory of International New Ventures". *Journal of International Business Studies*, 36:1, 9-19.
- Autio, E., Sapienza, H.J. and Almeida, J.G. (2000). Effects of Age at Entry, Knowledge Intensity, and Imitability on International Growth. *Academy of Management Journal*, 43:5, 909-924.
- Bagozzi, R. P. (1980) *Causal models in marketing*. New York: Wiley.
- Bagozzi, R.P., Yi, Y. and Phillips, L.W. (1991). Assessing construct validity in organizational research. *Administrative Science Quarterly*, 36:3, 421-458.
- Barney, J.B. (1986). Strategic Factor Markets: Expectations, Luck and Business Strategy. *Management Science*, 32: 10, 1231-1241.
- Barney, J.B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17:1, 99-120.
- Barney, J.B. (2001). Is the Resource-Based "View" a Useful Perspective for Strategic Management Research? Yes. *Academy of Management Review*, 26:1, 41-56.
- Barney, J.B. and Clark, D.N. (2007). *Resource-based theory: creating and sustaining competitive advantage*. Oxford University Press.
- Baronchelli, G. and Cassia, F. (2011). Exploring the antecedents of born global companies' international development. *International Entrepreneurship and Management Journal* (article in press, available on line: 12 July 2011, DOI 10.1007/s11365-011-0197-9).

- Baum, C.F. (2006). *An introduction to modern econometrics using Stata*. Stata Press.
- Baum, M., Schwens, C. and Kabst, R. (2011). A Typology of International New Ventures: Empirical Evidence from High-Technology Industries. *Journal of Small Business Management*, 49:3, 305–330.
- Beekman, A.V. and Robinson, R.B. (2004). Supplier Partnerships and the Small, High-Growth Firm: Selecting for Success. *Journal of Small Business Management*, 42:1, 59-77.
- Bell J., Loane S., McNaughton, R. and Servais P. (2010). Toward a Typology of Rapidly Internationalizing SMEs. In Nummela, N. (2010). *International Growth of Small and Medium Enterprises*, 177-190.
- Bell, J. (1995). The internationalization of small computer software firms: A further challenge to “stage” theories. *European Journal of Marketing*, 29:8, 60–75.
- Bell, J., Crick, D. and Young, S. (2004). Small firm internationalization and business strategy: an exploratory study of “knowledge-intensive” and “traditional” manufacturing firms in the UK. *International Small Business Journal*, 22:1, 23-56.
- Bell, J., McNaughton, R. and Young, S. (2001). “Born-again Global” Firms: An Extension to the “Born Global” Phenomenon. *Journal of International Management*, 7:3, 173-189.
- Björkman, I. and Forsgren, M. (2000). Nordic International Business Research: A Review of Its Development. *International Studies of Management and Organization*, 30:1, Frontiers of Research on the Internationalization of the Firm: Nordic Contributions (Spring, 2000), 6-25.
- Blankenburg Holm, D., Eriksson, K. and Johanson, J. (1996). Business networks and cooperation in international business relationships. *Journal of International Business Studies*, 27:5, 1033-1053.
- Blesa, A. and Ripollés, M. (2008). The influence of marketing capabilities on economic international performance. *International Marketing Review*, 25: 6, 651-673.
- Blesa, A., Monferrer, D., Nauwelaerts, Y. and Ripollés, M. (2008). The effect of early international commitment on international positional advantages in Spanish and Belgian international new ventures. *Journal of International Entrepreneurship*, 6:4, 168-187.
- Blomstermo, A., Eriksson, K., Lindstrand, A. and Sharma, D.D. (2004). The perceived usefulness of network experiential knowledge in the internationalizing firm. *Journal of International Management*, 10:3, 355–373.

- Bloodgood, J., Sapienza, H.J. and Almeida J.G. (1996). The internationalisation of new high-potential U.S. ventures: antecedents and outcomes. *Entrepreneurship Theory Practice*, 20: 4, 61-76.
- Bonaccorsi, A. (1992). On the relationship between firm size and export intensity. *Journal of International Business Studies*, 23:4, 605-635.
- Bonaglia, F., Goldstein, A. and Mathews, J.A. (2007). Accelerated internationalization by emerging markets multinationals: The case of the white goods sector. *Journal of World Business*, 42:4, 369-383.
- Boter, H. and Holmquist, C. (1996). Industry characteristics and internationalization processes in small firms. *Journal of Business Venturing*, 11:6, 471-487.
- Brannick, M.T. (1995). Critical comments on applying covariance structure modeling. *Journal of Organizational Behavior*, 16:3, 201-214.
- Brondoni, S.M. (2000). Ouverture de "Market-Driven Management". *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.
- Brondoni, S.M. (2002). Global Markets and Market-Space Competition. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.
- Brondoni, S.M. (2007). Market-Driven Management ed economia d'impresa globale. In Silvio M. Brondoni (2007), *Market-Driven Management e mercati globali*, Giappichelli, Torino, 19-63.
- Brondoni, S.M. (2008). Market-Driven Management.Competitive Space and Global Network. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Brondoni, S.M. (2009). Market-Driven Management, Competitive Customer Value and Global Network. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Brondoni, S.M. (2010). Global Markets and Market-Space Competition. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Brondoni, S.M. and Musso, F. (2010). Ouverture de "Marketing Channels and Global Markets". *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Brugnoli, A. and Molteni, M. (2007). *Per un futuro nei mercati globali. Sviluppo del capitale umano e internazionalizzazione delle imprese lombarde*. Guerini Editore, Milano.
- Brush, C.G. (1995). *International entrepreneurship: The effects of firm age on motives of internationalization*. New York: Garland.

- Bruton, G.D., Ahlstrom, D. and Obloj, K. (2008). Entrepreneurship in Emerging Economies: Where Are We Today and Where Should the Research Go in the Future. *Entrepreneurship Theory and Practice*, 32:1, 1-14.
- Bryman, A. (2004). *Social Research Methods*. Oxford University Press, New York.
- Buckley, P.J. and Casson, M.C. (1998). Analyzing Foreign Market Entry Strategies: Extending the Internalization Approach. *Journal of International Business Studies*, 29:3, 539-561.
- Burgel, O. and Murray, G.C. (2000). The international market entry choices of start-up companies in high-technology industries. *Journal of International Marketing*, 8:2, 33-62.
- Burpitt, W.J. and Rondinelli, D.A. (2000). Small firms' motivations for exporting: To earn and learn?. *Journal of Small Business Management*, 38:4, 1-14.
- Cabrol, M. and Nlemvo, F. (2009). The internationalisation of French new ventures: The case of the Rhone-Alps region. *European Management Journal*, 27:4, 255-267.
- Cafferata, R. and Genco, P. (1997). *Competitività, informazioni e internazionalizzazione delle piccole-medie imprese*. Il Mulino, Bologna.
- Caligiuri, P., Lazarova, M. and Zehetbauer, S. (2004). Top managers' national diversity and boundary spanning: Attitudinal indicators of a firm's internationalization. *Journal of Management Development*, 23:9, 848-859.
- Calori, R. (1990). Entrepreneurial high growth companies. *European Management Journal*, 8:4, 854-863.
- Carmines, E.G. and Zeller, R.A. (1979). *Reliability and validity*. Sage University Paper series on Quantitative Applications in the Social Sciences, Beverly Hills and London: Sage Publications.
- Caroli, M.G. and Lipparini, A. (2002). *Piccole imprese oltre confine: competenze organizzative e processi di internazionalizzazione*. Carocci, Roma.
- Cassells, E. (1999). Building a learning organization in the offshore oil industry. *Long Range Planning*, 32:2, 245-252.
- Cassiman, B. and Golovko, E. (2011). Innovation and internationalization through exports. *Journal of International Business Studies*, 42, 56-75.
- Casson, M. (1992). Internalisation Theory and beyond. In Buckley, P.J. (1992). *New Directions in International Business: Research Priorities for the 1990s*. Edward Elgar, Aldershot, 4-27.

Cavusgil, S.T. and Knight, G. (2009). *Born global firms: A new international enterprise*. Business Expert Press, LLC, New York.

Cavusgil, S.T. and Zou, S. (1994). Marketing Strategy-Performance Relationship: An Investigation of the Empirical Link in Export Market Ventures. *The Journal of Marketing*, 58: 1, 1-21.

Cavusgil, S.T., Deligonul, S. and Yaprak, A. (2005). International marketing as a field of study: A critical assessment of earlier development and a look forward. *Journal of International Marketing*, 13:4, 1-27.

Cheng, H.L. and Yu, C.M.J. (2008). Institutional pressures and initiation of internationalization: Evidence from Taiwanese small-and medium-sized enterprises. *International Business Review*, 17:3, 331-348.

Chetty, S. (1996). The Case Study Method for Research in Small-and Medium-Sized Firms. *International Small Business Journal*, 15:1, 73-85.

Chetty, S. and Blankenburg-Holm, D. (2000). Internationalisation of small to medium-sized manufacturing firms: a network approach. *International Business Review*, 9:1, 77-93.

Chetty, S. and Campbell-Hunt, C. (2003). Paths to internationalisation among small- to medium-sized firms: A global versus regional approach. *European Journal of Marketing*, 37:5/6, 796-820.

Chetty, S. and Campbell-Hunt, C. (2004). A strategic approach to internationalization: a traditional versus a "born-global" approach. *Journal of International Marketing*, 12:1, 57-81.

Chetty, S. and Wilson, H.I.M. (2003). Collaborating with competitors to acquire resources. *International Business Review*, 12:1, 61-81.

Christensen, C. M. and Overdorf, M. (2000). Meeting the Challenge of Disruptive Change. *Harvard Business Review*, 78:2, 67-76.

Churchill, G.A. Jr. (1979). A paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, 16:1, 64-73.

Cochran, D.S. and Dolan, J.A. (1984). Qualitative research: an alternative to quantitative research in communication. *Journal of Business Communication*, 21:4, 25-32.

Cohen, J. (1994). The earth is round ($p < 0.05$). *American Psychologist*, 49, 997-1003.

Colli, A. (2001). "Multinazionali tascabili" e "quarto capitalismo": un profilo storico e problematico. *Annali di Storia dell'Impresa*, 12.

Colli, A. (2008). Family firms from local districts to the world market (Italy, 1980-2005). Available at the following link.

Collis, D. J. and Montgomery, C.A. (1995). Competing on Resources: Strategy in the 1990s. *Harvard Business Review*, 73:4, 118-128.

Collis, J. and Hussey, R. (2003). *Business Research, a practical guide for undergraduate and postgraduate students*. 2nd Edition, Palgrave MacMillan, Hampshire.

Conway, J.M. and Huffcutt, A.I. (2003). A Review and Evaluation of Exploratory Factor Analysis Practices in Organizational Research. *Organizational Research Methods*, 6:2, 147-168.

Coombs, J.E., Sadrieh, F., Annavarjula, M. (2009). Two decades of International Entrepreneurship research. What have we learned, where do we go from here?. *International Journal of Entrepreneurship*, 13, 23-64.

Corniani, M. (2002). Demand-Bubble Management, Corporate Culture and Market Complexity. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.

Corniani, M. (2005). Market, Segment and Demand Bubbles. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.

Corniani, M. (2010). The Cost of Managing Intangibles in Global Markets. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.

Coviello, N. E. (1997). Network relationships and the internationalisation process of small software firms. *International Business Review*, 6:4, 361-384.

Coviello, N. E. and Munro, H.J. (1995). Growing the entrepreneurial firm: Networking for international market development. *European Journal of Marketing*, 29:7, 49-61.

Coviello, N.E. (2006). The network dynamics of international new ventures. *Journal of International Business Studies*, 37, 713-731.

Coviello, N.E. and Cox, M.P. (2006). The resource dynamics of international new venture networks. *Journal of International Entrepreneurship*, 4:2/3, 113-132.

Coviello, N.E. and Jones, M.V. (2004). Methodological issues in international entrepreneurship research. *Journal of Business Venturing*, 19:4, 485-508.

Coviello, N.E. and McAuley, A. (1999). Internationalisation and the Smaller Firm: A Review of Contemporary Empirical Research. *Management International Review*, 39:3, 223-256.

Covin, J.G. and Slevin, D.P. (1991). A conceptual model of entrepreneurship as firm behaviour. *Entrepreneurship: Theory and Practice*, 16:1, 7-25.

- Creswell, J.W. (2003). *Research design: qualitative, quantitative and mixed methods approaches* (2nd edition), Sage.
- Creswell, J.W. (2007). *Qualitative inquiry and research design: Choosing among five approaches* (2nd edition), Thousand Oaks, Sage.
- Crick, D. (2009). The internationalisation of born global and international new venture SMEs. *International Marketing Review*, 26:4/5, 453-476.
- Crick, D. and Jones, M. (2000). Small high-technology firms and international high-technology markets. *Journal of International Marketing*, 8:2, 63-85.
- Crick, D. and Spence, M. (2005). The internationalisation of high performing. UK high-tech SMEs: a study of planned and unplanned strategies. *International Business Review*, 14:2, 167-185.
- Cronbach, L.J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16:3, 297-334.
- Cuervo-Cazurra, A. (2010). Selecting the country in which to start internationalization: The non-sequential internationalization model. *Journal of World Business* (article in press, doi:10.1016/j.jwb.2010.10.003).
- Cuervo-Cazurra, A. and Genc, M. (2008). Transforming disadvantages into advantages: Developing-country MNEs in the least developed countries. *Journal of International Business Studies*, 39, 957-979.
- Cumming, D., Sapienza H.J., Siegel, D.S. and Wright, M. (2009). International Entrepreneurship: managerial and policy implications. *Strategic Entrepreneurship Journal*, 3:4, 283-296.
- Curran, J. and Blackburn, R.A. (2001). *Researching the small enterprise*. SAGE Publication Ltd.
- Cyert, R.M. and March, J.G. (1963). *A behavioral theory of the firm*. Englewood Cliffs, Prentice-Hall.
- D'Angelo, A. and Warner, K.S.R. (2010). Using the Resource-Based View to Advance International Entrepreneurship: An Empirical Review on how far have we come since Peng's 2001 predictions?. In Dimitratos, P. and Jones, M.V. (2010). *Resources, Efficiency and Globalization: International Business in the Modern Era*. Palgrave Macmillan, UK, 294-309.
- Dana, L.P. (2004). *Handbook of research on international entrepreneurship*. Cheltenham, UK: Edward Elgar.
- Day, G.S. (1994). The capabilities of market-driven organizations. *The Journal of Marketing*, 58:4, 37-52.

- Day, G.S. (1998). What Does It Mean to be Market-Driven?. *Business Strategy Review*, 9:1, 1-14.
- Day, G.S. (1999). Creating a Market-Driven Organization. *Sloan Management Review*, 41:1, 11-22.
- Day, G.S. (2000). Managing market relationships. *Journal of the Academy of Marketing Science*, 28:1, 24-30.
- Day, G.S. (2001). Market Driven Winners. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.
- Day, G.S. (2002). Managing the market learning process. *Journal of Business and Industrial Marketing*, 17:4, 240-252.
- Day, G.S. and Wensley, R. (1988). Assessing Advantage: A Framework for Diagnosing Competitive Superiority. *The Journal of Marketing*, 52:2, 1-20.
- De Clercq, D., Sapienza, H.J. and Crijns, H. (2005). The Internationalization of Small and Medium-Sized Firms. *Small Business Economics*, 24:4, 409-419.
- Depperu, D. (1993). *L'internazionalizzazione delle PMI*. Egea, Milano.
- DeSarbo, W.S., Di Benedetto, C.A. and Song, M. (2007). A heterogeneous resource based view for exploring relationships between firm performance and capabilities. *Journal of Modelling in Management*, 2:2, 103 – 130.
- Deshpande, R. and Webster, F.E. Jr. (1989). Organizational Culture and Marketing: Defining the Research Agenda. *The Journal of Marketing*, 53:1, 3-15.
- Di Gregorio, D., Musteen, M. and Thomas, D.E. (2008). International new ventures: The cross border nexus of individuals and opportunities. *Journal of World Business*, 43:2, 186-196.
- Dib, L.A., da Rocha, A. and Ferreira da Silva, G. (2010). The internationalization process of Brazilian software firms and the born global phenomenon: Examining firm, network, and entrepreneur variables. *Journal of International Entrepreneurship*, 8:3, 233-253.
- Dierickx, I. and Cool, K. (1989). Asset Stock Accumulation and Sustainability of Competitive Advantage. *Management Science*, 35: 12,1504–11.
- Dimitratos, P. and Jones, M.V. (2005). Future directions for international entrepreneurship research. *International Business Review*, 14:2, 119-128.
- Dimitratos, P. and Plakoyiannaki, E. (2003). Theoretical Foundations of an International Entrepreneurial Culture. *Journal of International Entrepreneurship*, 1:2, 187-215.

- Dimitratos, P., Johnson, J., Slow, J. and Young, S. (2003). Micromultinationals: New Types of Firms for the Global Competitive Landscape. *European Management Journal*, 21:2, 164-174.
- Dimitratos, P., Lioukas, S. and Carter, S. (2004). The relationship between entrepreneurship and international performance: The importance of domestic environment. *International Business Review*, 13:1, 19-41.
- Dimitratos, P., Plakoyiannaki, E., Pitsoulaki, A. and Tüselmann, H.J. (2010). The global smaller firm in international entrepreneurship. *International Business Review*, 19:6, 589-606.
- DuBois, F.L. and Reeb, D. (2000). Ranking the International Business Journals. *Journal of International Business Studies*, 31:4, 689-704.
- Dunning, J.H. (1997). Location and the multinational enterprise: A neglected factor?. *Journal of International Business Studies*, 40:1, 5-19.
- Dyer, J.D. and Singh, H. (1998). The Relational View: Cooperative Strategy and Sources of Interorganizational Competitive Advantage. *The Academy of Management Review*, 23:4, 660-679.
- Easterby-Smith, M., Thorpe, R. and Lowe, A. (2001). *Management Research: An Introduction*. (2nd Eds), Sage, London.
- Eisenhardt, K.M. and Martin, J.A. (2000). Dynamic Capabilities: What Are They?. In Constance, E.H. (2000). *The SMS Blackwell handbook of organizational capabilities: emergence, development and change*, 21, 341-346.
- Engelen, A., Heinemann, F. and Brettel, M. (2009). Cross-cultural entrepreneurship research: Current status and framework for future studies. *Journal of International Entrepreneurship*, 7:3, 163-189.
- Eriksson, K., Majkgård, A. and Sharma, D. (2000). Path Dependency and Knowledge Development in the Internationalization Process. *Management International Review*, 40:4, 307-328.
- Erramilli, M.K. and Rao, C.P. (1993). Service firms international entry mode choice. A modified transaction-cost analysis approach. *Journal of Marketing*, 57:3, 19-38.
- Erramilli, M.K. and Rao, P.C. (1990). Choice of Foreign Market Entry Modes by Service Firms: Role of Market Knowledge. *Management International Review*, 30:2, 135-150.
- European Commission (2003). *SMEs in Europe. The Observatory of European SMEs*. Luxembourg: European Communities; link: http://ec.europa.eu/enterprise/enterprise_policy/analysis/observatory_en.htm

- European Commission (2010). *European SMEs under Pressure. Annual Report on EU small and medium size enterprises 2009*.
- Evangelista, F. (2005). Qualitative insights into the international new venture creation process. *Journal of International Entrepreneurship*, 3:3, 179-198.
- Evers, N. (2010). Factors influencing the internationalisation of new ventures in the Irish aquaculture industry: An exploratory study. *Journal of International Entrepreneurship*, 8:4, 392-416.
- Evers, N. (2011a). Exploring market orientation in new export ventures. *International Journal of Entrepreneurship and Innovation Management*, 13:3/4, 357-376.
- Evers, N. (2011b). International new ventures in “low tech” sectors: A Dynamic Capabilities perspective. *Academy of International Business (AIB-UK and Ireland Chapter)*, Annual Conference, 14th to 16th April 2011.
- Evers, N. and Knight, J. (2008). Role of international trade shows in small firm internationalization: a network perspective. *International Marketing Review*, 25:5, 544- 562.
- Evers, N. and O’Gorman, C. (forthcoming). Improvisation in new venture internationalisation: the role of prior knowledge and networks. *Entrepreneurship and Regional Development: An International Journal*.
- Fabrigar, L.R., Wegener, D.T., MacCallum, R.C. and Strahan, E.J. (1999). Evaluating the use of exploratory factor analysis in psychological research. *Psychological Methods*, 4:3, 272-299.
- Fahy, J. (2002). A resource-based analysis of sustainable competitive advantage in a global environment. *International Business Review*, 11:1, 57-77.
- Fernhaber, S.A. and Li, D. (2010). The impact of inter-organizational imitation on new venture international entry and performance. *Entrepreneurship Theory and Practice*, 34:1, 1-30.
- Fernhaber, S.A. and McDougall-Covin, P.P. (2009). Venture capitalists as catalysts to new venture internationalization: the impact of their knowledge and reputation resources. *Entrepreneurship Theory and Practice*, 33:1, 277-295.
- Fernhaber, S.A., Gilbert, B.A. and McDougall, P.P. (2008). International entrepreneurship and geographic location: an empirical examination of new venture internationalization. *Journal of International Business Studies*, 39:2, 267-290.
- Fernhaber, S.A., McDougall, P.P. and Oviatt, B.M. (2007). Exploring the role of industry structure in new venture internationalization. *Entrepreneurship Theory and practice*, 31:4, 517-542.

- Ferrucci, L. and Varaldo, R. (1997). *Il distretto industriale tra logiche di impresa e logiche di sistema*. Franco Angeli, Milano.
- Field, A. (2009). *Discovering Statistics Using SPSS*. Third Edition, SAGE Publications.
- Filatotchev, I. and Piesse, J. (2009). R&D, internationalization and growth of newly listed firms: European evidence. *Journal of International Business Studies*, 40:8, 1260-1276.
- Filatotchev, I., Liu, X., Buck, T. and Wright, M. (2009). The export orientation and export performance of high-technology SMEs in emerging markets: The effects of knowledge transfer by returnee entrepreneurs. *Journal of International Business Studies*, 40:6, 1005-1021.
- Fillis, I. (2001). Small firm internationalisation: an investigative survey and future research directions. *Management Decision*, 39:9, 767-783.
- Fillis, I. and Lee, B. (2011). Internationalisation of Korean Performing Arts: a case study analysis. *European Journal of Marketing*, 45:5, 822-846.
- Fontes, M. and Coombs, R. (1997). The coincidence of technology and market objectives in the internationalisation of new technology-based firms. *International Small Business Journal*, 15: 4, 14-35.
- Ford, J.K., MacCallum, R.C. and Tait, M. (1986). The application of exploratory factor analysis in applied psychology: A critical review and analysis. *Personnel Psychology*, 39:2, 291-314.
- Forsgren, M. (2002). The concept of learning in the Uppsala internationalization process model: a critical review. *International Business Review*, 11:3, 257-277.
- Fowler, F.J. (1988). *Survey Research Methods*. Beverly Hills, CA: Sage.
- Freeman, S. and Cavusgil, S.T. (2007). Toward a Typology of Commitment States Among Managers of Born-Global Firms: A Study of Accelerated Internationalization. *Journal of International Marketing*, 15:4, 1-40.
- Freeman, S., Hutchings, K., Lazarisa, M. and Zyngier, S. (2010). A model of rapid knowledge development: The smaller born-global firm. *International Business Review*, 19:1, 70-84.
- Freeman, S., Ron, E., Bill, S. (2006). How smaller born-global firms use networks and alliances to overcome constraints to rapid internationalization. *Journal of International Marketing*, 14:3, 33-63.
- Gabriel, C. (1990). The validity of qualitative market research.. *Journal of Market Research Society*, 32:4, 507-519.

- Gabrielsson, M. (2005). Branding strategies of born globals. *Journal of International Entrepreneurship*, 3:3, 199-222.
- Gabrielsson, M. and Gabrielsson, P. (2003). Global marketing strategies of born globals and globalising internationals in the ICT field. *Journal of Euromarketing*, 12;3/4, 123-145.
- Gabrielsson, M. and Kirpalani, V. H.M. (2004). Born globals: how to reach new business space rapidly. *International Business Review*, 13:5, 555-571.
- Gabrielsson, M. and Pelkonen, T. (2008). Born internationals: Market expansion and business operation mode strategies in the digital media field. *Journal of International Entrepreneurship*, 6:2, 49-71.
- Gabrielsson, M., Kirpalani, V.H.M., Dimitratos, P., Solberg, C.A. and Zucchella, A. (2008a). Born globals: Propositions to help advance the theory. *International Business Review*, 17:4, 385-401.
- Gabrielsson, P. and Gabrielsson, M. (2004). Globalizing internationals: business portfolio and marketing strategies in the ICT field. *International Business Review*, 13:6, 661-684.
- Gabrielsson, P., Gabrielsson, M. and Gabrielsson, H. (2008b). International advertising campaigns in fast-moving consumer goods companies originating from a SMOPEC country. *International Business Review*, 17:6, 714-728.
- Gamboa, E.C. and Brouthers, L.E. (2008). How International is Entrepreneurship?. *Entrepreneurship Theory and Practice*, 32:3, 551-558.
- Ganitsky, J. (1989). Strategies for Innate and Adoptive Exporters: Lessons from Israel's Case. *International Marketing Review*, 6:5, 50-65.
- García-Canal, E., López Duarte, C., Rialp-Criado, J. and Valdés Llaneza, A. (2002). Accelerating international expansion through global alliances: A typology of cooperative strategies. *Journal of World Business*, 37:2, 91-107.
- Gassmann, A.O. and Keupp, M.M. (2007). The competitive advantage of early and rapidly internationalising SMEs in the biotechnology industry: A knowledge-based view. *Journal of World Business*, 42:3, 350-386.
- Gerbing, D.W. and Hamilton, J.G. (1996). Viability of exploratory factor analysis as a precursor to confirmatory factor analysis. *Structural Equation Modelling*, 3:1, 62-72.
- Ghuri, P.N. and Grønhaug, K. (2005). *Research Methods in Business Studies: A Practical Guide*. 3rd edition, Financial Times-Prentice Hall, London, UK.

- Giamartino, G.A., McDougall, P.P. and Bird, B.J. (1993). International entrepreneurship: the state of the field. *Entrepreneurship Theory and Practice*, 18:1, 37-42.
- Gjellerup, P. (2000). SME support services in the face of globalisation. Concerted action seminar. *Conference Proceedings, Danish Agency for Trade and Industry, Copenhagen*, 16-28.
- Goldstein, A. (2007). *Multinational companies from emerging economies*. New York: Palgrave Macmillan.
- Golinelli, G. (1992). I Problemi Strategici dell'Impresa Minore. *Sinergie*, 27, 25-31.
- Granovetter, M. (1985). Economic Action and Social Structure: The Problem of Embeddedness. *American journal of Sociology*, 91:3, 481-510.
- Grant, R.M. (1991). The Resource-based Theory of Competitive Advantage: Implications for Strategy Formulation. *California Management Review*, Spring, 114-35.
- Grant, R.M. (1996). Toward a Knowledge-based Theory of the Firm. *Strategic Management Journal*, 17 (Winter Special Issue), 109-22.
- Grimes, A. (2004). Venture firms seek start-ups that outsource. *The Wall Street journal*, April.
- Guba, E.G. and Lincoln, Y.S. (1994). Competing paradigms in qualitative research. In Denzin, N.K. and Lincoln, Y.S. (1994). *Handbook of Qualitative Research*, Thousand Oaks, Sage, 105-117.
- Guillén, M.F. and Garcia-Canal, E. (2009). The American Model of the Multinational Firm and the "New" Multinationals From Emerging Economies. *Academy of Management Perspectives*, 23:2, 23-35.
- Gilati, R. (1998). Alliances and Network. *Strategic Management Journal*, 19, 293-317.
- Gulati, R., Nohria, N. and Zaheer, A. (2000). Guest editors' introduction to the special issue: strategic networks. *Strategic Management Journal. Special Issue: Strategic Networks*, 21:3, 199-201.
- Hagen, B. (2010). *Business Strategy in International Small and Medium Sized Enterprises*. Pavia University Press, Pavia.
- Hagen, B. and Zucchella, A. (2011). The international growth of born global firms: tracking drivers and dimensions along time. Best Paper, *Academy of International Business (UK and Ireland Chapter), Annual Conference, 14th to 16th April 2011*.

- Hagen, B., Zucchella, A., Cerchiello, P. and De Giovanni, N. (2011). International strategy and performance-Clustering strategic types of SMEs. *International Business Review*, (article in press, doi:10.1016/j.ibusrev.2011.04.002).
- Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R.E. (2010), *Multivariate Data Analysis*. 7th edition, Prentice Hall, Pearson Higher Education, Upper Saddle River, NJ.
- Hambrick, D.C. (1981). Environment, strategy, and power within top management teams. *Administrative Science Quarterly*, 26:2, 253-276.
- Han, M. (2006). Developing social capital to achieve superior internationalization: A conceptual model. *Journal of International Entrepreneurship*, 4:2, 99-112.
- Harveston, P.D., Kedia, B.L. and Davis, P. S. (2000). Internationalization of Born Global and Gradual Globalizing Firms: The Impact of the Manager. *Advances in Competitiveness Research*, 8:1, 92-99.
- Healy, M. and Perry, C. (2000). Comprehensive Criteria to Judge Validity and Reliability of Qualitative Research within the Realism Paradigm. *Qualitative Market Research: An International Journal*, 3:3, 118-126.
- Hedlund, G. and Kverneland, A. (1985). Are strategies for foreign markets changing? The case of Swedish investments in Japan. *International Studies of management and Organization*, 15:2, 41-59.
- Hennart, J.F. (1982). *A theory of the multinational enterprise*. University of Michigan Press, Michigan.
- Hennart, J.F. (1996). The transaction cost theory of the multinational enterprise. In: Pitelis, C., Sugden, R. (1996). *The Nature of the Transnational Firm*. Routledge, London, 81-116.
- Hill, C.W.L. and Jones, G.R. (1992). *Strategic Management Theory: An Integrated Approach*. Boston: Houghton Mifflin.
- Hinkin, T.R. (1995). A review of scale development practices in the study of organizations. *Journal of Management*, 21:5, 967-988.
- Hirschman, E.C. (1986). Humanistic inquiry in marketing research: philosophy, method, and criteria. *Journal of Marketing Research*, 23, 237-249.
- Hitt, M.A., Bierman, L., Shimizu, K., and Kochhar, R. (2001). Direct and Moderating Effects of Human Capital in Professional Service Firms: A Resource-based Perspective. *Academy of Management Journal*, 44:1, 13-28.
- Hitt, M.A. Ireland, R.D. and Hoskisson, R.E. (1997). *Strategic Management: Competitiveness and Globalization*. 2nd edition. New York: West.

- Huber, G.P. (1991). Organizational learning: An examination of the contributing processes and the literatures. *Organization Science*, 2:1, 88-115.
- Hult, G.T. and Ketchen, D.J. Jr. (2001). Does market orientation matter? A test of the relationship between positional advantage and performance. *Strategic Management Journal*, 22:9, 899-906.
- Huff, S.A. (2009). *Designing Research for Publication*. Sage: London.
- Hunt, S.D. and Morgan, R.M. (1995). The Comparative Advantage Theory of Competition. *The Journal of Marketing*, 59:2, 1-15.
- Hurley, A.E., Scandura, T.A., Schriesheim, C.A., Brannick, M.T., Seers, A., Vandenberg, R.J. and Williams, L.J. (1997). Exploratory and confirmatory factor analysis: guidelines, issues, and alternatives. *Journal of Organizational Behaviour*, 18, 667-683.
- Hurmerinta-Peltomäki, L. (2004). Conceptual and methodological underpinnings in the study of rapid internationalizers. In M.V. Jones and P. Dimitratos (2004). *Emerging paradigms in international entrepreneurship*. Cheltenham, UK: Edward Elgar, 64-88.
- Hurmerinta-Peltomäki, L. and Nummela, N. (2009). Mixed Methods in Case Studies on International Business. *AIB-UKI Conference*, 2-4 April 2009, Glasgow, UK.
- Hussey, S. and Hussey, R. (1997). *Business Research: A practical guide for undergraduate and postgraduate students*. MacMillan Business, London.
- Hymer S, H. (1960). *The international operation of national firm. A study of direct foreign investment*. MIT Press, Cambridge.
- Ibeh, K., Johnson, J.E., Dimitratos, P. and Slow, J. (2004). Micromultinationals: Some Preliminary Evidence on an Emergent "Star" of the International Entrepreneurship Field. *Journal of International Entrepreneurship*, 2:4, 289-303.
- Ibeh, K.I.N. (2003). Toward a Contingency Framework of Export Entrepreneurship: Conceptualisations and Empirical Evidence. *Small Business Economics*, 20:1, 49-68.
- Ibeh, K.I.N. (2005). Toward a Greater Level of International Entrepreneurship among Smaller Agribusiness Firms: Resource Levers and Strategic Options. *Management International Review*, 45:3, 59-81.
- Ibeh, K.I.N. and Wheeler, C.N. (2005). A Resource-Centred Interpretation of Export Performance. *International Entrepreneurship and Management Journal*, 1:4, 539-556.
- Inkpen, A.C. and Beamish, P.W. (1977). Knowledge, bargaining power, and the instability of international joint ventures. *The Academy of Management Review*, 22:1, 177-202.

- Jantunen, A., Nummela, N., Puumalainen, K. and Saarenketo, S. (2008). Strategic orientations of born globals. Do they really matter?. *Journal of World Business*, 43:2, 158-170.
- Jantunen, A., Puumalainen, K., Saarenketo, S. and Kylaheiko, K. (2005). Entrepreneurial orientation, dynamic capabilities and international performance. *Journal of International Entrepreneurship*, 3:3, 223-243.
- Jarillo, J.C. (1989). Entrepreneurship and growth: the strategic use of external resources. *Journal of Business Venturing*, 4:2, 133-147.
- Jaworski, B.J. and Kohli, A.K. (1993). Market Orientation: Antecedents and Consequences. *The Journal of Marketing*, 57:3 53-70.
- Jaworski, B.J., Kohli, A.K. and Sahay, A. (2000). Market-Driven versus Driving Markets. *Academy of Marketing Science*, 28:1, 45-54.
- Jean Lee, S.K. (1992). Quantitative versus qualitative research methods: two approaches to organisation studies. *Asia Pacific Journal of Management*, 9:1, 87-94.
- Johanson, J. and Mattson, L.G. (1988). Internationalisation in Industrial Systems. A network approach. In Buckley, P.J., Ghauri, P.N. (1988). *The internationalization of the firm: a reader*. Academic Press, London, 303-321.
- Johanson, J. and Vahlne, J.E. (1977). The Internationalization Process of the Firm-A Model of Knowledge Development and Increasing Foreign Market Commitments. *Journal of International Business Studies*, 8:1, 23-32.
- Johanson, J. and Vahlne, J.E. (1990). The mechanism of internationalisation. *International Marketing Review*, 7:4, 11-24.
- Johanson, J. and Vahlne, J.E. (2003). Building a model of firm internationalisation. In Sharma, D.D. and Blomstermo, A. (2003). *Learning in the Internationalisation Process of Firms*. Edward Elgar Publishing, 3-15.
- Johanson, J. and Vahlne, J.E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies*, 40, 1411-1431.
- Johanson, J. and Wiedersheim-Paul, F. (1975). The Internationalization of the Firm: Four Swedish Cases. *Journal of Management Studies*, 12:3, 305-322.
- Johnson, J.E. (2004). Factors influencing the early internationalization of high technology start-ups: US and UK evidence. *Journal of International Entrepreneurship*, 2:1/2, 139-154.
- Jolly, V.K., Alahuta, M. and Jeannet, J.P. (1992). Challenging the incumbents. How high technology start-ups compete globally. *Journal of Strategic Chance*, 1:2, 71-82.

- Jones, M.V. (1999). The Internationalization of Small High-Technology Firms. *Journal of International Marketing*, 7:4, 15-41.
- Jones, M.V. (2001). First steps in internationalisation: Concepts and evidence from a sample of small high-technology firms. *Journal of International Management*, 7:3, 191-210.
- Jones, M.V. and Crick, D. (2004). Internationalising high-technology based UK firms' information gathering activities. *Journal of Small Business and Enterprise Development*, 11:1, 84-94.
- Jones, M.V., and Coviello, N.E. (2005). Internationalization: Conceptualising an entrepreneurial process of behaviour in time. *Journal of International Business Studies*, 36:3, 284-303.
- Jones, M.V., Coviello, N. and Tang, Y.K. (2011). International Entrepreneurship research (1989–2009): A domain ontology and thematic analysis. *Journal of Business Venturing* (article in press, doi:10.1016/j.jbusvent.2011.04.001).
- Kaiser, H.F. (1956). *The varimax method of factor analysis*. Unpublished doctoral dissertation, University of California, Berkeley.
- Kaiser, H.F. (1960). The application of electronic computers to factor analysis. *Educational and Psychological Measurement*, 20:1, 141-151.
- Kaiser, H.F. (1974). Little Jiffy, Mark IV. *Educational and Psychology Measurement*, 34:1, 111-117.
- Karra, N., Phillips, N. and Tracey, P. (2008). Building the Born Global Firm: Developing Entrepreneurial Capabilities for International New Venture Success. *Long Range Planning*, 41:4, 440-458.
- Katsikeas, C.S., Leonidou, L.C. and Morgan, N.A. (2000). Firm-level export performance assessment: review, evaluation, and development. *Journal of the Academy of Marketing Science*, 28:4, 493-511.
- Katz, J.A., Safranski, S.R. and Khan, O. (2003). Virtual Instant Global Entrepreneurship. *Journal of International Entrepreneurship*, 1:1, 43-47.
- Keeble, D., Lawson, C., Smith, H.L., Moore, B. and Wilkinson, F. (1998). Internationalisation processes, networking and local embeddedness in technology-intensive small firms. *Small Business Economics*, 11:4, 327-342.
- Keeling, K. (2000). A regression equation for determining the dimensionality of the data. *Multivariate Behaviour Research*, 35:4, 457-468.

- Keh, H.T., Nguyen, T.T.M, Ng, H.P. (2007). The effects of entrepreneurial orientation and marketing information on the performance of SMEs. *Journal of Business Venturing*, 22:4, 592-611.
- Keupp, M.M. and Gassman, O. (2009). The Past and the Future of International Entrepreneurship. A Review and Suggestions for Developing the Field. *Journal of Management*, 35:3, 600-633.
- Khavul, S., Pérez-Nordtvedt, L. and Wood, E. (2010a). Organizational entrainment and international new ventures from emerging markets. *Journal of Business Venturing*, 24:4, 104-119.
- Khavul, S., Peterson, M., Mullens, D. and Rasheed, A. (2010b). Going Global with Innovations from Emerging Economies: Investment in Customer Support Capabilities Pays Off. *Journal of International Marketing*, 18:4, 22-42.
- Kidd, S.A. (2002). The role of qualitative research in psychological journals. *Psychological Methods*, 7:1, 126-38.
- Kim, D.J. and Mueller, C.W. (1978). *Factor analysis: statistical methods and practical issues*. Series: Quantitative Applications in Social Science, n. 14, Uslaner E.M. Editor, SAGE Publications.
- Kirzner, I. M. (1973). *Competition and Entrepreneurship*. Chicago: University of Chicago Press.
- Kirzner, I.M. (1979). *Perception, opportunities and Profit. Studies in the theory of entrepreneurship*. University of Chicago Press. Chicago.
- Kirzner, I.M. (1997). Entrepreneurial Discovery and the Competitive Market Process: An Austrian Approach. *Journal of Economic Literature*, 35, 1, 60-85.
- Kiss, A.N. and Danis, W.M. (2008). Country institutional context, social networks, and new venture internationalization speed. *European Management Journal*, 26:6, 388-399.
- Kiss, A.N. and Danis, W.M. (2010). Social networks and speed of new venture internationalization during institutional transition: A conceptual model. *Journal of International Entrepreneurship*, 8:3, 273-287.
- Knight, G., Madsen, T.K. and Servais, P. (2004). An inquiry into born-global firms in Europe and the USA. *International Marketing Review*, 21:6, 645-665.
- Knight, G.A (2001). Entrepreneurship and strategy in the international SME. *Journal of International Management*, 7:3, 155-171.
- Knight, G.A. (2000). Entrepreneurship and marketing strategy: the SME under globalization. *Journal of International Marketing*, 8:2, 12-32.

- Knight, G.A. and Cavusgil, S.T. (1996). The Born Global Firm: A Challenge to Traditional Internationalization Theory. In Cavusgil, S.T. and Madsen, T. (1996). *Advances in International Marketing*, Vol. 8 JAI Press: Greenwich, 11-26.
- Knight, G.A. and Kim, D. (2009). International business competence and the contemporary firm. *Journal of International Business Studies*, 40, 255-273.
- Knight, G.A. and Liesch, P.W. (2002). Information internalization in internationalizing the firm. *Journal of Business Research*, 51:12, 1-15.
- Knight, G.A., and Cavusgil, S.T. (2004). Innovation, organizational capabilities, and the born-global firm. *Journal of International Business Studies*, 35, 124-141.
- Knight, G.A., and Cavusgil, S.T. (2005). A Taxonomy of Born-global Firms. *Management International Review*, 45:3, 15-35.
- Kocak, A. and Abimbola, T. (2009). The effects of entrepreneurial marketing on born global performance. *International marketing Review*, 16:4/5, 439-452.
- Kogut, B. and Singh, H. (1988). The effect of national culture on the choice of entry mode. *Journal of International Business Studies*, 19:3, 411-432.
- Kohli, A.K. and Jaworsky, B.J. (1990). Market Orientation: The Construct, Research Propositions and Managerial Implications. *Journal of Marketing*, 54:2, 1-18.
- Komulainen, H., Mainela, T. and Tahtinen, J. (2006). Social networks in the initiation of a high-tech firm's internationalisation. *International Journal of Entrepreneurship and Innovation Management*, 6:6, 526-541.
- Kotha, S., Rindova, V.P. and Rothermel, F.T. (2001). Assets and actions: firms-specific factors in the internationalization of US internet firms. *Journal of International Business Studies*, 32:4, 769-791.
- Kropp, F., Lindsay, N.J. and Shoham, A. (2006). Entrepreneurial, market, and learning orientations and international entrepreneurial business venture performance in South African firms. *International Marketing Review*, 23:5, 504-523.
- Kuemmerle, W. (2002). Home Base and Knowledge Management in International Ventures. *Journal of Business Venturing*, 17:2, 99-122.
- Kuivalainen, O. (2003). *Knowledge based view of internationalization: studies on small and medium sized information and communication technology firms*. Doctoral thesis, Lappeenranta University of Technology, Finland.
- Kuivalainen, O., Puumalainen, K., Sintonen, S. and Kyläheiko, K. (2010). Organisational capabilities and internationalisation of the small and medium-sized information and communications technology firms. *Journal of International Entrepreneurship*, 8:2, 135-155.

- Kuivalainen, O., Sundqvist, S. and Servais, P. (2007). Firms' degree of born-globalness, international entrepreneurial orientation and export performance. *Journal of World Business*, 42:3, 253-267.
- Kundu, S.K. and Katz, J.A. (2001), Born-international SMEs: BI-level impacts of resources and intentions. *Small Business Economics*, 20:1, 25-47.
- Laanti, R., Gabrielsson, M. and Gabrielsson, P. (2007). The globalization strategies of business to-business born global firms in the wireless technology industry. *Industrial Marketing Management*, 36:8, 1104-1117.
- Lado, A. and Wilson, M. (1994). Human Resource Systems and Sustained Competitive Advantage: A Competency-based Perspective. *Academy of Management Review*, 19: 4, 699-727.
- Lages, L.F. and Lages, C.R. (2004). The STEP scale: a measure of short-term export performance improvement. *Journal of International Marketing*, 12:1, 36-56.
- Lambin J.J. and Brondoni, S.M. (2001). Ouverture de "Market-Driven Management". *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Lambin, J.J. (2008a). *Market-driven management. Marketing strategico e operativo*. McGraw-Hill, Milano.
- Lambin, J.J. (2008b). *Changing market relationship in the internet age*. UCL, Presses Universitaires de Louvain.
- Lamieri, M. and Lanza, A. (2004). *Strategie di internazionalizzazione delle piccole-medie imprese*. Ufficio Studi Imprese e Territorio Intesa San Paolo S.p.A.
- Lamieri, M. and Lanza, A. (2006). La ripresa passa attraverso la qualità: un'analisi del potere di mercato delle imprese italiane. *Imprese e Territorio, Rivista di analisi economica*, 1.
- Larimo, J. (2007). Different types of exporting SMEs. Similarities and differences in export performance. In Rialp, A. and Rialp, J. (2007). *International Marketing Research: Opportunities and Challenges in the 21st century*, JAI Press, Greenwich, 17, 17-62.
- Lattin, J., Douglas, C. and Green, P. (2003). *Analyzing Multivariate Data*, Duxbury Applied Series, Hardcover.
- Layder, D. (1993). *New Strategies in Social Research*. Polity Press, Cambridge.
- Leavy, B. (1994). *Strategy and leadership*. Routledge.
- Lee, C., Lee, K. and Pennings, J.M. (2001). Internal capabilities, external networks, and performance: a study on technology-based ventures. *Strategic Management Journal*

(Special Issue: Strategic Entrepreneurship-Entrepreneurial Strategies for Wealth Creation), 22:6/7, 615-640.

Lei, D., Hitt, A. and Bettis, R. (1996). Dynamic Core Competences through Meta-Learning and Strategic Context. *Journal of Management*, 22:4, 549-569.

Leonidou, L.C. and Katsikeas, C.S. (1996). The Export Development Process: An Integrative Review of Empirical Models. *Journal of International Business Studies*, 27: 3, 517-551.

Leonidou, L.C., Katsikeas, C.S. and Samiee, S. (2002). Marketing strategy determinants of export performance: a meta-analysis. *Journal of Business Research*, 55:1, 51-67.

Li, P.P. (2003). Toward a geocentric theory of multinational evolution: The implications from the Asian MNEs as latecomers. *Asia Pacific Journal of Management*, 20:2, 217-242.

Li, P.P. (2007). Toward an integrated theory of multinational evolution: The evidence of Chinese multinational enterprises as latecomers. *Journal of International Management*, 13:3, 296-318.

Liesch, P.W. and Knight, G.A. (1999). Information Internalization and Hurdle Rates in Small and Medium Enterprise Internationalization. *Journal of International Business Studies*, 30:2, 383-394.

Liesch, P.W., Welch, L.S., Welch, D., McGaughey, S.L., Petersen, B. and Lamb, P. (2002). Evolving Strands of Research on Firm Internationalization: An Australian-Nordic Perspective. *International Studies of Management and Organization*, 32:1, 16-35.

Lipparini, A. and Lorenzoni, G. (2000). The Leveraging of Inter-firm Relationships as a Distinctive Organizational Capability: A Longitudinal Study. *Strategic Management Journal*, 20:4, 317-338.

Loane, S. (2006). The role of the internet in the internationalisation of small and medium sized companies. *Journal of International Entrepreneurship*, 3:4, 263-277.

Loane, S. and Bell, J. (2006). Rapid internationalisation among entrepreneurial firms in Australia, Canada, Ireland and New Zealand: An extension to the network approach. *International Marketing Review*, 23: 5, 467 - 485.

Loane, S., Bell, J.D. and McNaughton, R. (2007). A cross-national study on the impact of management teams on the rapid internationalization of small firms. *Journal of World Business*, 42:4, 489-504.

Lopez, L.E., Kundu, S.H. and Ciravegna, L. (2009). Born global or born regional. Evidence from an exploratory study in the Costa Rican software industry. *Journal of International Business Studies*, 40, 1228-1238.

- Lu, J.W. and Beamish, P.W. (2006). Partnering strategies and performance of SMEs' international joint ventures. *Journal of Business Venturing*, 21:4, 461-486.
- Lu, Y., Zhou, L., Bruton, G. and Li, W. (2010). Capabilities as a mediator linking resources and the international performance of entrepreneurial firms in an emerging economy. *Journal of International Business Studies*, 41, 419-436.
- Lumpkin, G.T. and Dess, G.G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *The Academy of Management Review*, 21:1, 135-172.
- Luo, Y. and Tung, R.L. (2007). International expansion of emerging market enterprises: A springboard perspective. *Journal of International Business Studies*, 38, 481-498.
- Luo, Y., Zhao, J. H. and Du, J. (2005). The internationalization speed of e-commerce companies: an empirical analysis. *International Marketing Review*, 22:6, 693-709.
- Luostarinen, R. and Gabrielsson, M. (2002). Globalization and Global Marketing Strategies of Born Globals in SMOPECs. *Paper proposal submitted for the Annual Conference of the European International Business Academy*, 8-10 December, Athens.
- Luostarinen, R. and Gabrielsson, M. (2004). Finnish perspectives of international entrepreneurship. In L.P. Dana (2004). *Handbook of research on International entrepreneurship*. Cheltenham: Edward Elgar, 383-403.
- Luostarinen, R.K. (1979). Internationalization of the Firm. *Acta Acadamiae Oeconomicae Helsingiensis*, Helsinki School of Economics, Helsinki.
- Maccarini, M.E., Scabini, P. and Zucchella, A. (2003). Internationalisation strategies in Italian district-based firms: theoretical modeling and empirical evidence. *Paper presented at the Conference on Clusters, Industrial Districts and Firms: the Challenge of Globalization*. Conference in honour of Professor Sebastiano Brusco. Modena, Italy. September 12-13, 2003.
- Madsen, T.K. and Servais, P. (1997). The internationalization of born globals: An evolutionary process?. *International Business Review*, 6:6, 561-583.
- Mahoney, J.T. and Pandian, J.R. (1993). The Resource-based View within the Conversation of Strategic Management. In Foss, N.J. (1993). *Resources, firms, and strategies: a reader in the resource-based perspective*. Oxford Management Reader, 204-232.
- Majkgard, A. and Sharma, D. D. (1998). Client-following and market-seeking strategies in the internationalization of service firms. *Journal of Business-to-Business Marketing*, 4:3, 1-41.

- Majocchi, A. and Strange, R. (2007). The FDI location decision: does liberalization matter?. *Transnational Corporations*, 16:2, 2-40.
- Majocchi, A. and Zucchella, A. (2003). Internationalization and Performance: Findings from a Set of Italian SMEs. *International Small Business Journal*, 21: 3, 249-268.
- Majocchi, A. and Zucchella, A. (2008). Global Entrepreneurship and Market-Driven Management. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.
- Makadok, R. (2001). Towards a Synthesis of the Resource-based and Dynamic-capability Views of Rent Creation. *Strategic Management Journal*, 22: 5, 387-401.
- Malhotra, N. and Hinings, C.R.B. (2010). An organizational model for understanding internationalization processes. *Journal of International Business Studies*, 41, 330-349.
- Manolova, T.S. and Manev, I.M. (2004). Internationalization and the performance of the small firm: A review of the empirical literature 1996-2000. In Jones, M.V. and Dimitratos, P. (2004). *Emerging Paradigms in International Entrepreneurship*. Cheltenham, Edward Elgar, 37-63.
- Manolova, T.S., Manev, I.M. and Gyoshev, B.S. (2010). In good company: The role of personal and inter-firm networks for new-venture internationalization in a transition economy. *Journal of World Business*, 45:3, 257-265.
- Mathews, J.A. (2002). Competitive advantages of the latecomer firm: A resource-based account of industrial catch-up strategies. *Asia Pacific Journal of Management*, 19:4, 467-488.
- Mathews, J.A. (2006). Dragon multinationals. *Asia Pacific Journal of Management*, 23:1, 5-27.
- Mathews, J.A. and Zander, I. (2007). The international entrepreneurial dynamics of accelerated internationalization. *Journal of International Business Studies*, 38:1, 387-403.
- McAuley, A. (1999). Entrepreneurial Instant Exporters in the Scottish Arts and Crafts Sector. *Journal of International Marketing*, 7:4, 67-82.
- McAuley, A. (2010). Looking back, going forward: reflecting on research into the SME internationalisation process. *Journal of Research in Marketing and Entrepreneurship*, 12:1, 21-41.
- McClelland, G.H. (1997). Optimal design in psychological research. *Psychological Methods*, 2:1, 3-19.
- McDougall, P.P. (1989). International vs domestic entrepreneurship: New venture strategic behavior and industry structure. *Journal of Business Venturing*, 4:6, 387-400.

- McDougall, P.P. and Oviatt, B.M. (2000). International Entrepreneurship: The Intersection of Two Research Paths. *Academy of Management Journal*, 53:5, 902-906.
- McDougall, P.P., and Oviatt, B.M. (1996). New venture internationalization, strategic change, and performance: A follow-up study. *Journal of Business Venturing*, 11:1, 23-40.
- McDougall, P.P., Oviatt, B.M. and Shrader, R.C. (2003). A comparison of international and domestic new ventures. *Journal of International Entrepreneurship*, 1:1, 59-82.
- McDougall, P.P., Shane, S. and Oviatt, B.M. (1994). Explaining the formation of international new ventures: The limits of theories from international business research. *Journal of Business Venturing*, 9:6, 469-487.
- McEvily, S.K. and Chakravarth, B. (2002). The persistence of knowledge-based advantage: an empirical test for product performance and technological knowledge. *Strategic Management Journal*, 23:4, 285-305.
- McNaughton, R. (2003). The number of export markets that a firm serves: process models versus the born-global phenomenon. *Journal of International Entrepreneurship*, 1:3, 297-311.
- Melén, S. and Nordman, E.R. (2008). The internationalisation modes of born globals: A longitudinal study. *European Management Journal*, 27:4, 243-254.
- Melin, L. (1992). Internationalization as a strategy process. *Strategic Management Journal*, 13:S2, 99-118.
- Meyer, C. (2005). Opportunism and NGOs: entrepreneurship and green north-south transfers. *World Development*, 23:8, 1277-1289.
- Milanov, H. and Fernhaber, S.A. (2009). The impact of early imprinting on the evolution of new venture networks. *Journal of Business Venturing*, 24:1, 46-61.
- Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*, 29:7, 770-791.
- Miller, D. and Shamsie J. (1996). The resource-based view of the firm in two environments: the Hollywood film studios from 1936 to 1965. *Academy of Management Journal*, 39:3, 519-543.
- Mintzberg, H. (1973). Strategy making in three modes. *California Management Review*, 26/Winter, 44-53.
- Moen, O. (2002). The born globals: A new generation of small European exporters. *International Marketing Review*, 19:2, 156-175.

- Moen, O. and Servais, P. (2002). Born global or gradual global? Examining the export behavior of small and medium-sized enterprises. *Journal of International Marketing*, 10:3, 49-72.
- Moen, O., Endresen, I. and Gavlen, M. (2003). Use of the Internet in international marketing: A case study of small computer software firms. *Journal of International Marketing*, 11:4, 129-149.
- Moody, C. (2009). Basic Econometrics with Stata. (Available at: <http://www.scribd.com/doc/54549213/Stata-Manual-2009>).
- Morgan, N.A., Vorhies, D.W., and Mason, C.H. (2009). Research notes and commentaries market orientation, marketing capabilities, and firm performance. *Strategic Management Journal*, 30, 909-920.
- Morgan-Thomas, A. and Jones, M.V. (2009). Post-Entry Internationalization Dynamics: Differences between SMEs in the Development Speed of their International Sales. *International Small Business Journal*, 27:1, 71-97.
- Morrow, J.F. (1988). International Entrepreneurship. A new growth opportunity. *New Management*, 3:5, 59-61.
- Mort, G.S. and Weerawardena, J. (2006). Networking capability and international entrepreneurship: How networks function in Australian born global firms. *International Marketing Review*, 23:5, 549-572.
- Mosca, F. (2008). Market-Driven Management in Fashion and Luxury Industries. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Musteen, M., Francis, J., and Datta, D.K. (2010). The influence of international networks on internationalization speed and performance: A study of Czech SMEs. *Journal of World Business*, 45:3, 197-205.
- Mutinelli, M. and Piscitello, L. (1998). The entry mode choice of MNEs: an evolutionary approach. *Research Policy*, 27:5, 491-506.
- Nancarrow, C., Barker, A. and Tiu Wright, L. (2001). Engaging the right mindset in qualitative marketing research. *Marketing Intelligence and Planning*, 19:4, 236-244.
- Narver, J.C., Slater, S.F. and MacLachlan, D.L. (2004). Responsive and Proactive Market Orientation and New-Product Success. *Journal of Product Innovation Management*, 21:5, 334-347.
- Naudé, W. and Rossouw, S. (2010). Early international entrepreneurship in China: Extent and determinants. *Journal of International Entrepreneurship*, 8:1, 87-111.
- Negri Clementi, A. (2007). Management Consulting Boutiques and Global Markets. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.

Nerkar, A. and Paruchuri, S. (2005). Evolution of R&D Capabilities: The Role of Knowledge Networks within a Firm. *Management Science*, 51:5, 771-785.

Neuman, W.L. (2003). *Social Research Methods*. 5th edition, Boston, MA: Pearson Education.

Newbert, S.L. (2008). Value, rareness, competitive advantage, and performance: a conceptual-level empirical investigation of the resource-based view of the firm. *Strategic Management Journal*, 29:7, 745-768.

Newman, I., Ridenour, C., Newman, C. and DeMarco, G.M.P. Jr. (2003). A typology of research purposes and its relationship to mixed methods research. In Tashakkori, A. and Teddlie, C. (2003), *Handbook of mixed methods in social and behavioral research*, Thousand Oaks, Sage, 167-188.

Nkongolo-Bakenda, J.M (2004). SMEs and sustainable competitiveness in the worldwide market: how to overcome the learning challenge?. *Journal of Comparative International Management*, 7:1, 25-52.

Nkongolo-Bakenda, J.M. (2003). Environmental scanning in globally oriented small businesses: practices suggested by managers. *Journal of Comparative International Management*, 6:1, 25-52.

Nkongolo-Bakenda, J.M., Anderson R., Ito, J. and Garven, G. (2006). Globally oriented small- and medium-sized enterprises: in search of an integrative framework and competitive determinants. *International Journal of Globalization and Small Business*, 1:4, 374-392.

Nkongolo-Bakenda, J.M., Anderson, R., Ito, J. and Garven, G. (2010). Structural and competitive determinants of globally oriented small-and medium-sized enterprises: An empirical analysis. *Journal of International Entrepreneurship*, 8:1, 55-86.

Nordman, E.R. and Melén, S. (2009). The impact of different kinds of knowledge for the internationalization process of Born Globals in the biotech business. *Journal of World Business*, 43:2, 171-185.

Nummela, N., Saarenketo, S, and Puumalainen, K. (2004a). Rapidly with a Rifle or more Slowly with a Shotgun? Stretching the Company Boundaries of Internationalising ICT Firms. *Journal of International Entrepreneurship*, 2:4, 275-288.

Nummela, N., Saarenketo, S. and Puumalainen, K. (2004b). A global mindset-a prerequisite for successful internationalization?. *Canadian Journal of Administrative Sciences*, 21: 1, 51-64.

Nunnally, J.C. and Bernstein, I.H. (1994). *Psychometric Theory*. 3rd Edition, McGraw-Hill, New York.

- OECD (Organisation for Economic Cooperation and Development) (2002). *OECD SME Outlook*. OECD, Paris.
- OECD (Organisation for Economic Cooperation and Development) (2005). *SME and Entrepreneurship Outlook*. OECD, Paris.
- Oesterle, M.J. (1997). Time-span until internationalization: Foreign market entry as a built-in-mechanism of innovations. *Management International Review*, 37:2, 125-149.
- Ojala, A. (2008). Entry in a psychically distant market: Finnish small and medium-sized software firms in Japan. *European Management Journal*, 26:2, 135-144.
- Ojala, A. and Tyrväinen, P. (2007). Market Entry and Priority of Small and Medium-Sized Enterprises in the Software Industry: An Empirical Analysis of Cultural Distance, Geographic Distance, and Market Size. *Journal of International Marketing*, 15:3, 123-149.
- Oviatt, B.M. and McDougall, P.P. (1994). Toward a theory of international new ventures. *Journal of International Business Studies*, 25:1, 45-64.
- Oviatt, B.M. and McDougall, P.P. (1995). Global start-ups: Entrepreneurs on a worldwide stage. *Academy of Management Executive*, 9:2, 230-243.
- Oviatt, B.M. and McDougall, P.P. (1997). Challenges for Internationalization Process Theory: The Case of International New Ventures. *Management International Review*, 37:2, 85-99.
- Oviatt, B.M. and McDougall, P.P. (2005a). Defining international entrepreneurship and modeling the speed of internationalization. *Entrepreneurship: Theory and Practice*, 29:5, 537-553.
- Oviatt, B.M. and McDougall, P.P. (2005b). The internationalization of entrepreneurship. *Journal of International Business Studies*, 36, 2-8.
- Pangarkar, N. (2008). Internationalization and performance of small- and medium-sized enterprises. *Journal of World Business*, 43:4, 475-485.
- Papadopoulos, N. and Martín, O.M. (2010). Toward a model of the relationship between internationalization and export performance. *International Business Review*, 19:4, 388-406.
- Patton, M.Q. (1990) *Qualitative Evaluation and Research Methods*. Sage, Newbury Park.
- Peng, M.W. (2001). The Resource-based View and International Business. *Journal of Management*, 27:6, 803-829.

- Peng, M.W. and Wang, D.Y. (2000). Innovation capability and foreign direct investment: Toward a learning option perspective. *Management International Review*, 40:1, 79-93.
- Penrose, E.T. (1959). *The Theory of the Growth of the Firm*. New York: JohnWiley & Sons.
- Pepe, C. and Zucchella, A. (2009). *L'internazionalizzazione delle imprese italiane. Contributi di ricerca*. Collana AIDEA, Il Mulino, Bologna.
- Peter, J.P. (1979). Reliability: A review of psychometric basics and recent marketing practices. *Journal of Marketing Research*, 16:1, 6-17.
- Peter, J.P. and Churchill, G.A. Jr. (1986). The relationship among research design choices and psychometric properties of rating scales: A meta-analysis. *Journal of Marketing Research*, 23:1, 1-10.
- Peteraf, M.A. (1993). The Cornerstones of Competitive Advantage: A Resource-based View. In Foss, N.J. (1993). *Resources, firms, and strategies: a reader in the resource-based perspective*. Oxford Management Reader, 187-203.
- Petersen, B., Pedersen, T. and Sharma, D.D. (2002). The role of knowledge in firms' internationalisation process: Where, from and where to?. In Blomstermo, A. and Sharma, D. (2002). *Learning in the internationalisation process of firms*, Edward Elgar, Cheltenham, UK (2002).
- Piekkari, R., Welch, C. and Paavilainen, E. (2009). The Case Study as Disciplinary Convention. Evidence from International Business Journals. *Organizational Research Methods*, 12:3, 567-589.
- Pla-Barber, J. and Escribá-Esteve, A. (2006). Accelerated internationalisation: evidence from a late investor country. *International Marketing Review*, 23:3, 255 - 278.
- Pla-Barber, J. and Puig, F. (2009). Is the influence of the industrial district on international activities being eroded by globalization?. Evidence from a traditional manufacturing industry. *International Business Review*, 18:5, 435-445.
- Pleitner, J.H. (2002). The future of SMEs in a globalized world. *Paper presented to the AISE Conference*.
- Podsakoff, P.M. and Dalton, R. (1987). Research Methodology in Organizational Studies. *Journal of Management*, 13:2, 419-441.
- Podsakoff, P.M., Mackenzie, S.B., Bachrach, D.G. and Podsakoff, N.P. (2005). The influence of management journals in the 1980s and 1990s. *Strategic Management Journal*, 26: 473-488.

- Prashantham, S. and Dhanaraj, C. (2010). The Dynamic Influence of Social Capital on the International Growth of New Ventures. *Journal of Management Studies*, 47:6, 967-994.
- Preece, S.B, Miles, G. and Baetz, M.C. (1999). Explaining the international intensity and global diversity of early-stage technology-based firms. *Journal of World Business*, 14:3, 259-281.
- Presutti, M., Boari, C. and Fratocchi, L. (2007). Knowledge acquisition and the foreign development of high-tech start-ups: A social capital approach. *International Business Review*, 16:1, 23-46.
- Priem, R.L. and Butler, J.E. (2001). Tautology in the Resource-Based View and the Implications of Externally Determined Resource Value: Further Comments. *The Academy of Management Review*, 26:1, 57-66.
- Rancati, E. (2005). Global Markets and Time-Based Competition. *Symphonia. Emerging Issues in Management*, 2.
- Rasmussen, E.S., Madsen, T.K. and Servais, P. (2010). On the foundation and early development of domestic and international new ventures. *Journal of Management and Governance* (published on-line 25 September 2010).
- Rauch, A., Wiklund, J., Lumpkin, G.T. and Frese, M. (2009). Entrepreneurial orientation and business performance: an assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*. 33:3, 761-787.
- Rennie, M. (1993). Global competitiveness: Born global. *McKinsey Quarterly*, 4, 45-52.
- Reuber, A. R. and Fischer, E. (1999). Understanding the Consequences of Founders' Experience. *Journal of Small Business Management*, 37:2, 30-45.
- Rialp, A., Rialp J. and Knight, G.A. (2005a). The phenomenon of early internationalizing firms: what do we know after a decade (1993–2003) of scientific inquiry?. *International Business Review*, 14:2, 147-166.
- Rialp, A., Rialp, J., Urbano, D. and Vaillant, Y. (2005b), The born-global phenomenon: A comparative case study research. *Journal of International Entrepreneurship*, 3:2, 133-171.
- Rialp-Criado, A., Galván-Sánchez, I. and Suárez-Ortega, S.M. (2010). A configuration-holistic approach to born-global firms' strategy formation process. *European Management Journal*, 28:2, 108-123.
- Ripollés, M. and Blesa, A. (2011). International new ventures as “small multinationals”: The importance of marketing capabilities. *Journal of World Business* (article in press, available on line: 4 May 2011; doi:10.1016/j.jwb.2011.04.015).

- Ripollés-Meliá, M., Menguzzato-Boulard, M. and Peinado, L.S. (2007). Entrepreneurial orientation and international commitment. *Journal of International Entrepreneurship*, 5:3/4, 65-83.
- Rugman, A.M. (1976). Risk reduction by international diversification. *International Journal of Business Studies*, 7, 75-80.
- Rugman, A.M. and Verbeke, A. (1992). A note on cost theory of multinational strategic management. *International Journal of Business Studies*, 23:4, 761-771.
- Rui, H. and Yip, G.S. (2008). Foreign acquisitions by Chinese firms: A strategic intent perspective. *Journal of World Business*, 43:2, 213-226.
- Rumelt, R. (1984). Towards a Strategic Theory of the Firm. In Lamb, R. (1984). *Competitive Strategic Management*. Englewood Cliffs, NJ: Prentice-Hall, 556-570.
- Ruzzier, M., Hisrich, R.D. and Antoncic, B. (2006). SME internationalization research: past, present, and future. *Journal of Small Business and Enterprise Development*, 13:4, 476-497.
- Saarenketo, S., Puumalainen, K., Kuivalainen, O. and Kyläheiko, K. (2004). Dynamic knowledge-related learning processes in internationalizing high-tech SMEs. *International Journal of Production Economics*, 89:3, 363-378.
- Salvioni, D.M. (2010). Intangible Assets and Internal Controls in Global Companies. *Emerging Issues in Management* (www.unimib.it/symphonya), 2.
- Sapienza, H.J., Autio, E., George, G. and Zahra, S.A. (2006). A capabilities perspective on the effects of early internationalization on firm survival and growth. *Academy of Management Review*, 31:4, 914-933.
- Sarasvathy, S.D. (2001). Causation and Effectuation: Toward a Theoretical Shift from Economic Inevitability to Entrepreneurial Contingency. *The Academy of Management Review*, 26:2, 243-263.
- Sasi, V. and Arenius, P. (2008). International new ventures and social networks: Advantage or liability?. *European Management Journal*, 26:6, 400-411.
- Saunders, M., Lewis P. and Thornhill, A. (2009). *Research methods for business students*. Pearson Education Limited, Edinburgh.
- Saunders, M., Lewis, P. and Thornhill, A. (2003). *Research Methods for Business Students*. 3rd Edition, Pearson Education.
- Schmitt, N.W. and Klimoski, R.J. (1991). *Research Methods in Human Resources Management*. Cincinnati: South-Western Publishing.

Schumpeter, J. A. (1934), *The Theory of Economic Development*. Cambridge, MA: Harvard University Press. First published in German, 1912.

Schwens, C. (2008). Early internationalizers: Specificity, learning, and performance implications. In Alewell, D., Kabst, R., Martin, A., Matiaske, W., Nienhuser, W., Schramm, F. and Weber, W. (2008). *Schriftenreihe Empirische Personal- und Organisationsforschung*. Munchen, Mering: Hampp Verlag.

Schwens, C. and Kabst, R. (2009a). Early internationalization: A transaction cost economics and structural embeddedness perspective. *Journal of International Entrepreneurship*, 7:4, 323-340.

Schwens, C. and Kabst, R. (2009b). How early opposed to late internationalizers learn: Experience of others and paradigms of interpretation. *International Business Review*, 18:5, 509-522.

Sciarelli, M. (2008). Resource-Based Theory and Market-Driven Management. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 2.

Scott, W.R. (1987). The adolescence of institutional theory. *Administrative Science Quarterly*, 32:4, 493-511.

Segelod, E. (2001). Learning through grafting in ventures in new areas. *Scandinavian Journal of Management*, 17:3, 305-328.

Servais, P. and Rasmussen, E.S. (2000). Different types of international new ventures. *Paper presented at the Academy of International Business (AIB) Annual Meeting* (November), Phoenix, USA, 1-27.

Shane, S. and Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, 25:1, 217-226.

Shapiro, B.P. (1988). What the Hell Is "Market Oriented"?. *Harvard Business Review*, 66:6, 119-125.

Sharma, D.D. and Blomstermo, A. (2003). The internationalization process of born globals: A network view. *International Business Review*, 12:6, 739-753.

Shaver, J. M., Mitchell, W. And Yeung, B. (1997). The effect of own firm and other-firm experience on foreign direct investment survival in the United States, 1987-92. *Strategic Management Journal*, 18:10, 811-824.

Shoham, A. (1998). Export Performance: A Conceptualization and Empirical Assessment. *Journal of International Marketing*, 6:3, 59-81.

Shrader, R.S., Oviatt, B.M. and McDougall, P.P. (2000). How new ventures exploit trade-offs among international risk factors: Lessons for the accelerated

internationalization of the 21st century. *Academy of Management Journal*, 43:6, 1227-1247.

Schumpeter, J. A. (1934). *The theory of economic development*. Cambridge, MA. Harvard University Press.

Schumpeter, J.A. (1942). *Capitalism, socialism and democracy*. Harper and Row, New York.

Simon, H. (1992). Lessons from Germany's Midsize Giant. *Harvard Business Review*, March-April, 115-123.,

Simon, H. (2009). *The hidden champions of the 21st century*. Springer.

Sinkovics, R. and Bell, J. (2006). Current perspectives on international entrepreneurship and the internet. *Journal of International Entrepreneurship*, 3:4, 247-249.

Slater, F.S. and Narver, J.C. (1995). Market Orientation and the Learning Organization. *The Journal of Marketing*, 59:3, 63-74.

Song, M., Nason, R.W. and Di Benedetto, C.A. (2008). Distinctive Marketing and Information Technology Capabilities and Strategic Types: A Cross-National Investigation. *Journal of International Marketing*, 16:1, 4-38.

Sousa, C. (2004). Export performance measurement. An evaluation of the empirical research in the literature. *Academy of Marketing Science Review*, 9, 1-22 (Available: <http://www.amsreview.org/articles/sousa09-2004.pdf>).

Sousa, C.M.P., Martínez-López, F.G. and Coelho, F. (2008). The Determinants of Export Performance: A Review of the Research in the Literature between 1998 and 2005. *International Journal of Management Reviews*, 10:4, 343-374.

Spanos, Y.E. and Lioukas, S. (2001). An examination into the causal logic of rent generation: contrasting Porter's competitive strategy framework and the resource-based perspective. *Strategic Management Journal*, 22:10, 907-934.

Spence, M. (2003). International strategy formation in small Canadian high-technology companies—a case study approach. *Journal of international Entrepreneurship*, 1:3, 277-296.

Spence, M. and Crick, D. (2006). A comparative investigation into the internationalisation of Canadian and UK high-tech SMEs. *International Marketing Review*, 23:5, 524-548.

Spence, M., Orser, B. and Riding, A. (2007). A comparative study of International and Domestic New Ventures. *Management International Review*, 51:1, 3-21.

- Spence, M.M., Manning, L.M. and Crick, D. (2008). An investigation into the use of collaborative ventures in the internationalization of high performing Canadian SMEs. *European Management Journal*, 26:6, 412-428.
- Srivastava, R.K., Fahey, L. and Christensen, H.K. (2001). The resource-based view and marketing: The role of market-based assets in gaining competitive advantage. *Journal of Management*, 27:6, 777-802.
- Stevenson, H. H. and Jarillo, J. C. (1990). A paradigm of entrepreneurship: Entrepreneurial management. *Strategic Management Journal*, 11: 17-27.
- Stoian, M.C., Rialp, A. and Rialp, J. (2011). Export performance under the microscope: A glance through Spanish lenses. *International Business Review*, 20: 2, 117-135.
- Styles, C. and Genua, T. (2008). The rapid internationalization of high technology firms created through the commercialization of academic research. *Journal of World Business*, 43:2, 146-157.
- Sullivan, T.J. (2001). *Methods of social research*. Harcourt College Publishers.
- Svensson, G. and Payan, J.M. (2009). Organizations that are international from inception: Terminology and research constellations – “academic protectionism” or “academic myopia”? *Journal of Small Business and Enterprise Development*, 16:3, 406-417.
- Szyliowicz, D. and Galvin, T. (2010). Applying broader strokes: Extending institutional perspectives and agendas for international entrepreneurship research. *International Business Review*, 19:4, 317-332.
- Tang, Y.K. (2011). The influence of networking on the internationalization of SMEs: evidence from internationalized Chinese firms. *International Small Business Journal*, 29:4, 374-398.
- Teece D.J. (2007). Explicating dynamic capabilities: The nature and micro-foundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28, 1319-1350.
- Teece, D.J. (1980). Economies of scope and the scope of the enterprise. *Journal of Economic Behavior and Organization*, 1:3, 223-247.
- Teece, D.J. (1986). Profiting from technological innovation: Implications for integration, collaboration, licensing and public policy. *Research Policy*, 15:6, 285-305.
- Teece, D.J., Pisano, G. and Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18:7, 509-533.
- Thai, M.T.T. and Chong, L.C. (2008). Born-global: The case of four Vietnamese SMEs. *Journal of International Entrepreneurship*, 6:2, 72-100.

- Toften, K. and Hammervoll, T. (2009). Niche firms and marketing strategy: An exploratory study of internationally oriented niche firms. *European Journal of Marketing*, 43:11/12, 1378 – 1391.
- Tolstoy, D. (2009). Knowledge Combination and Knowledge Creation in a Foreign-Market Network. *Journal of Small Business Management*, 47:2, 202-220.
- Tranfield, D.R., Denyer, D. and Palminder, S. (2003). Towards a Methodology for Developing Evidence-Informed Management Knowledge by Means of Systematic Review. *British Journal of Management*, 14, 207-222. (Available at SSRN: <http://ssrn.com/abstract=447301>).
- Tuominen, M., Rajala, A. and Moller, K. (2004). Market-driving versus market-driven: Divergent roles of market orientation in business relationships. *Industrial Marketing Management*, 33:3, 207-217.
- Tuppura, A., Saarenketo, S., Puumalainen, K., Jantunen, A. and Kyläheiko, K. (2008). Linking knowledge, entry timing and internationalization strategy. *International Business Review*, 17:4, 473-487.
- UNCTAD (United Nations Conference on Trade and Development). (2006). *World Investment Report 2006*. New York: United Nations.
- Vallini, C. and Simoni, C. (2009). Market-Driven Management as Entrepreneurial Approach. *Symphonya. Emerging Issues in Management* (www.unimib.it/symphonya), 1.
- Van de Ven, A.H. (2007). *Engaged scholarship: A guide for organizational and social research*. Oxford University Press.
- Van Maanen, J. (1979). Reclaiming Qualitative Methods for Organizational Research: A Preface *Administrative Science Quarterly*, 24:4, 520-526.
- Van Maanen, J. (1988). *Tales of the field: On writing ethnography*. University of Chicago Press, Chicago.
- Varaldo, R., Dalli, D., Resciniti, R. and Tunisini, A. (2009). *Un tesoro emergente. Le medie imprese italiane dell'era globale*. Franco Angeli, Milano.
- Venkatraman, N. (1989). Strategic orientation of business enterprises: The construct, dimensionality, and measurement. *Management Science*, 35:8, 942-962.
- Venkatraman, N., and Grant, J.H. (1986). Construct measurement in organizational strategy research: A critique and proposal. *Academy of Management Review*, 11:1, 71-87.

- Vorhies, D.W. and Harker M. (2000). The Capabilities and Performance Advantages of Market-Driven Firms: An Empirical Investigation. *Australian Journal of Management*, 25:2, 145-171.
- Vorhies, D.W., Harker, M. and Rao, C.P. (1999). The capabilities and performance advantages of market-driven firms. *European Journal of Marketing*, 33: 11/12, 1171-1202.
- Webster, F.E. Jr. (1988). The Rediscovery of the Marketing Concept. *Business Horizons*, 31 (May-June), 29-39.
- Webster, F.E. Jr. (1992). The Changing Role of Marketing in the Corporation. *Journal of Marketing*, 56:4, 1-17.
- Weerawardena, J. (2003a). Exploring the role of market learning capability in competitive Strategy. *European Journal of Marketing*, 37:3/4, 407-429.
- Weerawardena, J. (2003b). The role of marketing capability in innovation-based competitive strategy. *Journal of Strategic Marketing*, 11:1, 15-35.
- Weerawardena, J. and O'Cass, A. (2004). Exploring the characteristics of market-driven firms and antecedents to sustained competitive advantage. *Industrial Marketing Management*, 33:5, 19-428.
- Weerawardena, J., Mort, J.S., Liesch P.W. and Knight, G. (2007). Conceptualizing accelerated internationalization in the born global firm: A dynamic capabilities perspective. *Journal of World Business*, 42:3, 294-306.
- Welch, C., Piekkari, R., Plakoyiannaki, E. and Paavilainen-Mäntymäki, E. (2010). Theorising from case studies: Towards a pluralist future for international business research. *Journal of International Business Studies*, 16:4, 1-23.
- Welch, C.L and Welch, L.S. (2009). Re-internationalisation: Exploration and conceptualization. *International Business Review*, 18:6, 567-577.
- Welch, L.S. and Luostarinen, R.K. (1988). Internationalization: Evolution of a Concept. *Journal of General Management*, 14:2, 36-64.
- Wells, L.T. (1983). *Third world multinationals: The rise of foreign investment from developing countries*. Cambridge, MA: The MIT Press.
- Wernerfelt, B. (1984). A Resource-Based View of the Firm. *Strategic Management Journal*, 5:2, 171-180.
- Wheeler, C., Ibeh, K. and Dimitratos, P. (2008). UK Export Performance Research. *International Small Business Journal*, 26:2, 207-239.

- Whitelock, J. and Munday, P. (1993). Internationalisation of the firm Two cases in the industrial explosives industry. *Journal of International Marketing*, 1:4, 19-39.
- Wickramasekera, R. and Bamberry, G. (2001). Born globals within the Australian wine industry: a exploratory study. *Working- Paper No. 1/01*, Charles Sturt University, Wagga Wagga.
- Wiklund, J. and Shepherd, D. (2003). Knowledge-based resources, entrepreneurial orientation, and the performance of small and medium-sized businesses. *Strategic Management Journal*, 24:13, 1307-1314.
- Williams, L.J. (1995). Covariance structure modelling in organizational research: Problems with the method versus applications of the method. *Journal of Organizational Behavior*, 16, 225-234.
- Wright, M., Westhead, P. and Ucbasaran, D. (2007). Internationalization of small and medium-sized enterprises (SMEs) and international entrepreneurship: a critique and policy implications. *Regional Studies*, 41:7, 1013-1030.
- Wright, R.W. and Ricks, D.A. (1994). Trends in international business research: twenty-five years later. *Journal of International Business Studies*, 25:4, 687-702.
- Wu, L.Y. (2007). Entrepreneurial resources, dynamic capabilities and start-up performance of Taiwan's high-tech firms. *Journal of Business Research*, 60:5, 549-555.
- Yamakawa, Y., Peng, M.W. and Deeds, D.L. (2008). What drives new ventures to internationalize from emerging to developed economies?. *Entrepreneurship Theory and Practice*, 32:1, 59-82.
- Yeoh, P.L. (2000). Information acquisition activities: A study of global start-up exporting companies. *Journal of International marketing*, 8:3, 36-60.
- Yeoh, P.L. (2004). International learning: antecedents and performance implications among newly internationalizing companies in an exporting context. *International Marketing Review*, 21:4/5, 511-535.
- Yeung, H.W (1995). Qualitative personal interviews in international business research: some lessons from a study of Hong Kong transnational corporations. *International Business Review*, 4:3, 313-339.
- Yeung, H.W.C. (2002). Entrepreneurship in International Business: An Institutional Perspective. *Asia Pacific Journal of Management*, 19:1, 29-61.
- Yin, R.K. (2003). *Case Study Research: Design and Methods*. 3rd Edition, Sage, Newbury, Park.

- Yli-Renko, H., Autio, E. and Tontti, V. (2002). Social capital, knowledge, and the international growth of technology-based new firms. *International Business Review*, 11:3, 279-304.
- Young, S. (1987). Business strategy and the internationalization of business: recent approaches. *Managerial and Decision Economics*, 8:1, 31-40.
- Young, S., Dimitratos, P. and Dana, L.P. (2003). International entrepreneurship research: what scope for international business theories?. *Journal of International Entrepreneurship*, 1:1, 31-42.
- Yu, J., Gilbert, B.A. and Oviatt, B.J. (2011). Effects of alliances, time, and network cohesion on the initiation of foreign sales by new ventures. *Strategic Management Journal*, 32: 4, 424-446.
- Zahra S.A., Ireland, R.D. and Hitt, M.A. (2000). International expansion by new venture firms: International diversity, mode of market entry, technological learning, and performance. *Academy of Management Journal*, 43:5, 925-950
- Zahra, S. and George, G. (2002). International entrepreneurship: the current status of the field and future research agenda. In Hitt, M.A., Ireland, R.D., Sexton, D. and Camp, M. (2002), *Strategic Entrepreneurship: Creating an Integrated Mindset*. Blackwell Publishers, Malden, MA, 255-288.
- Zahra, S.A. and Covin, J.G. (1995). Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis. *Journal of Business Venturing*, 10:1, 43-58.
- Zahra, S.A. (1991). Predictors and financial outcomes of corporate entrepreneurship: an exploratory study. *Journal of Business Venturing*, 6:4, 259-286.
- Zahra, S.A. (1993). A conceptual model of entrepreneurship as firm behavior: A critique and extension. *Entrepreneurship Theory and Practice*, 14:4, 5-21.
- Zahra, S.A. (2005). A theory of international new ventures: A decade of research. *Journal of International Business Studies*, 36, 20-28.
- Zahra, S.A. and Garvis, D.M. (2000). International corporate entrepreneurship and firm performance: The moderating effect of international environmental hostility. *Journal of Business Venturing*, 15:5/6, 469-492.
- Zahra, S.A. and Shulte, W. (1994). International Entrepreneurship: Beyond Folklore and Myth. *International Journal of Commerce and Management*, 4:1/2, 85-95.
- Zahra, S.A., Jennings, D.F. and Kuratko, D.F. (1999). The antecedents and consequences of firm-level entrepreneurship: The state of the field. *Entrepreneurship Theory and Practice*, 24:2, 45-65.

- Zahra, S.A., Matherne, B.P. and Carleton, J.M. (2003). Technological resource leveraging and the internationalisation of new ventures. *Journal of International Entrepreneurship*, 1:2, 163-186.
- Zahra, S.A., Sapienza, H.L. and Davidsson, P. (2006). Entrepreneurship and Dynamic Capabilities: A Review, Model and Research Agenda. *Journal of Management Studies*, 43:4, 917-955.
- Zanni, L. and Zucchella, A. (2009). I nuovi imprenditori internazionali. L'esperienza di imprese nate globali e dell'imprenditoria etnica nei distretti industriali italiani (175-208). In Pepe, C. and Zucchella, A. (2009). *L'internazionalizzazione delle imprese italiane. Contributi di ricerca*, Collana AIDEA, Il Mulino, Bologna.
- Zettinig, P. and Benson-Rea, M. (2008). What becomes of International New Ventures? A co-evolutionary approach. *European Management Journal*, 26:6, 354-365.
- Zhang, M., Tansuhaj, P. and McCullough, J. (2009). International entrepreneurial capability: The measurement and a comparison between born global firms and traditional exporters in China. *Journal of International Entrepreneurship*, 7:4, 293-332.
- Zhou, L. (2007). The effects of entrepreneurial proclivity and foreign market knowledge on early internationalization. *Journal of World Business*, 42:3, 281-293.
- Zhou, L., Barnes, B.L. and Lu, Y. (2010). Entrepreneurial proclivity, capability upgrading and performance advantage of newness among international new ventures. *Journal of International Business Studies*, 41, 882-905.
- Zhou, L., Wu, W. and Luo, X. (2007). Internationalization and the performance of born-global SMEs: the mediating role of social networks. *Journal of International business Studies*, 38, 673-690.
- Zou, H. and Ghauri, P.N. (2010). Internationalizing by learning: the case of Chinese high-tech new ventures. *International Marketing Review*, 27:2, 223-244.
- Zou, S. and Stan, S. (1998). The determinants of export performance: a review of the empirical literature between 1987 and 1997. *International Marketing Review*, 15:5, 333-356.
- Zucchella, A. (2002). Born globals versus gradually internationalising firms: an analysis based on Italian case studies. *Paper presented at the European International Business Academy (EIBA) Annual 28th EIBA Conference*, December, Athens, Greece.
- Zucchella, A. (2005). Non sequential internationalisation processes between competition and cooperation: a tentative reconciliation of alternative approaches. In Morrow, T., Loane, S. and Bell, J. (2005). *International Business in an enlarging Europe*. Palgrave Macmillan, Basingstoke.

- Zucchella, A. (2010a). International Entrepreneurship: mapping organisational archetypes and identifying key constructs in their behaviour. *Paper presented at International Entrepreneurship Forum*, Rio de Janeiro, November.
- Zucchella, A. (2010b). Analyzing the Moves of International Entrepreneurial Organizations. In Nummela, N. (2010). *International Growth in Small and Medium Enterprises*. Routledge, New York, 115-134.
- Zucchella, A. and Maccarini, M. (1999). *I Nuovi Percorsi di Internazionalizzazione*. Milano: Giuffrè.
- Zucchella, A. and Scabini, P. (2007). *International Entrepreneurship. Theoretical Foundations and Empirical Analysis*, 1st edn (Palgrave, 2007).
- Zucchella, A., Brugnoli A. and Dal Bianco A. (2010). Barriers to internazionalizatio of SMEs: an analysis from de perspective of support service providers. In Dimitratos P. and Jones M. (2010). *Resources efficiency and globalization*. McGraw Hill, 310-326.
- Zucchella, A., Palamara, G. and Denicolai, S. (2007). The drivers of the early internationalization of the firm. *Journal of World Business*, 42:3, 268-280.
- Zwick, W. and Velicer, W. (1986). Comparison of five rules for determining the number of components to retain. *Psychological Bulletin*, 99:3, 432-442.

APPENDIX

APPENDIX TO CHAPTER 2

Table 2.2 – International Entrepreneurial Organisations and Global Entrepreneurial Organisations: a synopsis of their main features

IEOs/GEOs typologies	Born globals/INVs	Born-again global	Micromultinationals	Globalising International
Main references	Rennie (1993); Oviatt and McDougall (1994); Knight and Cavusgil (1996); Moen and Servais (2002)	Bell et al. (2001); Bell et al. (2003); Tupura et al. (2008); Jantunen et al. (2008)	Dimitratos et al. (2003); Ibeh et al. (2004); Lamieri and Lanza (2004); Colli (2008)	Luostarinen and Gabrielsson (2004); Luostarinen and Gabrielsson (2002); Gabrielsson and Gabrielsson (2003)
Main definitions	"Born global firms are typically young and reach an export sales level of at least 25% within three years from their foundation" (Knight et al. 1994); "INVs is a firm that from inception seeks to derive a significant competitive advantage from the combination of resources and sale of outputs in multiple countries" (Oviatt and McDougall 1994)	"Born-again globals are firms that have been well established in their domestic markets, with apparently no prior motivation to internationalise, but which have suddenly embraced rapid and dedicated internationalisation" (Bell et al. 2001)	Micromultinationals are a separate body of internationalised SMEs that control and manages value-added activities through constellation and investment modes in more than one country using such advanced market servicing modes as international licensing agreements, international franchising, international joint ventures or foreign subsidiaries	"Globalising international is a company that has first internationalised its businesses within home continent after the domestic period and only then started to globalise outside its home continent " (Luostarinen and Gabrielsson 2002)
Company's age	Generally very young companies	Generally mature companies (on average, more than 20 years old)	Generally mature companies	
Company's governance	Independent companies	Independent companies	Independent companies	
Company's size	Small and medium sized enterprises	Small and medium sized enterprises	Small and medium sized enterprises	Mainly large companies
Company's industries	High-tech, software (but evidence also in manufacturing sectors)	Knowledge-intensive industries	Traditional or low technology sectors	High-technology sectors
Company's country of origin	Different countries (mainly small economies, niche markets, but recently also emerging countries)	UK regions (England, Northern Ireland and Scotland), Australia and New Zealand	Scotland and Italy	SMOPEC (small and open economies, like Finland or Sweden, Denmark, Norway and Austria)
International/global expansion strategy	Speed and prococious internationalisation/global expansion	Epochs of domestic market orientation followed by rapid and dedicated internationalisation	Because micromultinationals can seek different objectives when going abroad, their managers have to formulate and implement different strategies in the international marketplace	Entry into and penetration of international markets, market responsiveness in penetration stage, leveraging capabilities, identifying new segments

<p>Geographic scope of international/global activities</p>	<p>Global scope (but some evidences of interanational scope)</p>	<p>Several markets at once</p>	<p>Wider spectrum of foreign markets; psychic distance is not important, leader among niche market</p>	<p>During the international phase, companies enter and penetrate their target markets (both geographically and with respect to customer segments); during the the global phase, companies need to turn their attention to achievement of global integration benefits across countries</p>
<p>Entry modes strategy</p>	<p>Multiple and committed entry modes (but evidence of less committed modes)</p>	<p>Network, existing channels of new parents/partners/clients</p>	<p>Foreign direct investments approaches are utilised to a greater extent</p>	

Source: author's personal elaboration

Table 2.2 – International Entrepreneurial Organisations and Global Entrepreneurial Organisations: a synopsis of their main features (continued)

IEOs/GEOs typologies	Global Entrepreneurial SMEs	Emerging Market MNEs	Market Driven Organisation
Main references	Dimitratos et al. (2010); Nkongolo-Bakenda (2003); Nkongolo-Bakenda et al. (2003; 2006; 2010); Zucchella and Maccarini (1999); Maccarini et al. (2003); Simon (2009)	Mathews (2006); Bonaglia (2007); Luo and Tung (2007); Guillén and García-Canal (2009)	Day (1999; 2000); Brondoni (2002; 2007); Corniani (2002); Lambin and Brondoni (2000); Lambin (2008)
Main definitions	Global entrepreneurial SMEs dominate their markets worldwide, have noticeably grown in size, show a remarkable capability to survive, often specialize in low-profile products, have become truly global competitors and are successful	"Emerging Market MNEs are international companies that originated from emerging markets and are engaged in outward foreign direct investments, where they exercise effective control and undertake value-adding activities in one or more foreign countries" (Luo and Tung 2007)	"Market Driven Organisations show a superior ability to understand, attract and keep valuable customers" (Day 2000)
Company's age	Generally mature companies	Generally mature companies	Generally mature companies
Company's governance	Independent companies	MNEs	Mainly MNEs
Company's size	Small and medium sized enterprises		Mainly large companies
Company's industries	Traditional or low technology sectors	Traditional or low technology sectors	Traditional or low technology sectors
Company's country of origin	Different countries	Upper-middle-income economies; emerging economies; developing countries; oil-rich countries	Different countries
International/global expansion strategy	Initially systematic approach using formal procedures to identify lead markets; subsequently, relationship approach to pinpoint valuable partners; network are important in global expansion	Very rapid internationalisation	
Geographic scope of international/global activities	Global markets; geographic and psychic distance is not relevant	Radical choice of location	Global scope
Entry modes strategy	Generally exporting through agents or intermediaries to market their products abroad, but sometimes equity joint ventures and wholly-owned subsidiaries	High-risk, high-control entry modes such as acquisitions and greenfield investments	Network, existing channel of parents/partners/clients and sometimes competitors

Source: author's personal elaboration

Table 2.3 – International Entrepreneurship literature reviews comparison: focus on the general status of the field

Authors	Zahra and George (2002)	Coviello and Jones (2004)	Keupp and Gassman (2009)
Review focus	General status of the IE field	Only methodological issues of IE	General status of the IE field
Timeframe	1988-2000	1988-2000	1994-2007
Number of studies	15	55	179
Journals		11 Journals (leading in Entrepreneurship, International Business and Strategic Management); some special Issues in IE	16 Journals (leading in Entrepreneurship, International Business, Strategic Management, Technology and Innovation Management)
Papers analysed	Conceptual and empirical studies with IE as their central premise of investigation	Research published in edited books and conference proceedings was excluded as not all these sources are widely accessible and/or peer reviewed	Research published in edited books and conference proceedings was excluded as not all these sources are widely accessible and/or peer reviewed
Keywords		"international new ventures", "IE", "INV(s)", "Oviatt", "McDougall", "global startups", "born globals", "international" and "entrepreneurship"	
Selection process		This review is focused on empirical literature representing McDougall and Oviatt's (2000 p. 903) definition of IE. Furthermore, each study needed to include sufficient information regarding its methodology to allow for a thorough review and assessment	This review is focused on empirical literature representing McDougall and Oviatt's (2000 p. 903) definition of IE
Focus of the review	Definitions and domain of IE; review of the past contribution (theoretical perspectives; sample; method); dimensions of IE; organisational factors influencing IE; influence of the external environment on IE; influence of strategic factors on IE; integrative model of IE	Research context and time frame; sample characteristics; data collection/analysis procedures and equivalence issues	Research focus, theoretical framework, variables, data and method, outcomes, theoretical implications for IE; antecedents, elements of and outcomes of IE
Main conclusions	There is a tremendous opportunities for research in IE and their definition expand the domain of the field to include both new and corporate ventures	IE research has a rich international perspective with cross-national collaboration evident in research teams. IE studies have generated a definable pool of manufacturing and high-technology studies for comparative examination. The extant literature also reflects efforts to integrate the international and entrepreneurship fields and has expanded beyond an SMEs focus. IE literature has applied a range of methods with a relatively high level of sophistication and rigor. At the same time, studies tend to focus on aggregate level survey or sector-specific qualitative data	The majority of the articles analyse how antecedents influence outcomes, propensity to internationalize or to export is the most used dependent variable in quantitative study, internationalisation theory is the most used, qualitative method is the dominant one

Source: Author's personal elaboration

Table 2.3 – International Entrepreneurship literature reviews comparison: focus on the general status of the field (continued)

Authors	Coombs, Sadrieh and Annavarjula (2009)	Jones, Coviello and Tang (2011)
Review focus	General status of the IE field	General status of the IE field
Timeframe	1982-2002	1989-2009
Number of studies	150	323
Journals	35 journals (leading in Entrepreneurship and International Business)	Full search of articles across academic Journals relevant to the field
Papers analysed		Research published in edited books and conference proceedings was excluded as not all these sources are widely accessible and/or peer reviewed
Keywords		International entrepreneurship, Entrepreneur and international, Internationalis(z)ation, international business, foreign market, International new ventures, born global, global start-up, INV, Instant/rapid-export/internationalis(z)er, micro MNEs, McDougall, Oviatt, Entrepreneurship and national, Global Entrepreneurship Monitor, GEM
Selection process		
Focus of the review	Key issues, theoretical perspectives, sample, research method, data analysis, dependent variable	Entrepreneurial Internationalisation; International Comparisons of Entrepreneurship and Comparative Entrepreneurial Internationalisation
Main conclusions		Rather than suffering from theoretical paucity, the Authors contend that the intellectual territory of the domain presents rich potential with many clearly indicated avenues for theoretical development

Source: author's personal elaboration

Table 2.4 - International Entrepreneurship literature reviews comparison: focus on accelerated internationalisation and born global companies

Authors	Rialp, Rialp and Knight (2005)	Aspelund, Madsen and Moen (2007)	Our study
Review focus	Only one area of IE-INV's/born global	Only one area of IE-INV's/born global	Only one area of IE-INV's/born global
Timeframe	1993-2003	1992-2004	1990-2011 (first three months)
Number of studies	38	41	115
Journals	19 Journals (leading in General Management, International marketing-oriented, Entrepreneurship, International Business) and other similar sources	21 Journals (leading in General Management/Marketing, International Business, Entrepreneurship or Small Business Management)	18 Journals (leading in Entrepreneurship, Strategy, International Business, International Marketing, Small Business Management) and other Journals considered important by renowned Academics
Paper analysed	Papers published by academic Journals, works in edited books of readings, refereed Journal articles as well as conference proceedings and working-papers which, in spite of being relevant, had not been identified electronically	Mainly empirical and conceptual studies of INVs	Research published in edited books and conference proceedings was excluded as not all these sources are widely accessible and/or peer reviewed
Keywords	"born-global", "international new venture", "global start-up", "early and accelerated internationalization", "international entrepreneurship"	Any specification	"international entrepreneurship", "global start-up", "born global", "international new venture (s)", "early/fast/speed/rapid/accelerated/aggressive internationalis(z)ation"
Selection proces	The reviewed papers had to: appear in the period 1993–2003; be in English; be theoretical and/or empirical ; be closely related to the early internationalising firms and IE	The reviewed papers had to: appear in the period 1992–2004; be related with the phenomenon of INVs.	The reviewed works had to: appear in the period 1990-2011; be in English, to facilitate comparison; be theoretical and/or empirical academic papers; be closely related to the early internationalising firms and IE
Focus of the review	Main objective and type of research; theoretical framework/s used for conceptual development and analysis; methodological approach; key research findings and conclusions	The review is organised according to an expanded version of the conceptual framework presented by Madsen and Servais (1997)	The born global construct; theoretical perspectives; empirical methods; factor influencing born global internationalisation pace and performance (namely, facilitating/context-specific variables; entrepreneur-specific variables; firm-specific variables; external variables)

Main conclusions	Much of the literature on early internationalising firms has been largely exploratory, descriptive, and focused on particular industries or international locations	Heterogeneity in international marketing strategies; there is empirical evidence of interaction between vision, orientation and international proactiveness as well as resource allocation to international activities that may enhance partner and opportunity search, as well as contribute to the limited focus on geographical or psychic distance; also, INVs seem to be characterized by an international perspective from the establishment phase; environmental factors might influence the international market strategies as well as the development path and performance of INVs	Born globals constitute an increasingly distinctive pattern of SMEs; their emergence demonstrate the formation process of SMEs able to compete internationally/globally from inception.
------------------	---	---	---

Source: author's personal elaboration

APPENDIX TO CHAPTER 3

List of the 115 articles and research focus

Authors	Year	Journal	Research Focus
Acedo&Jones	2007	JWB	paper examines four aspects of managerial cognition among firms, as differentiated by speed of market entry
Andersson	2004	JBV	paper investigates internationalisation patterns and industry characteristics
Andersson&Wictor	2003	JIE	paper investigates driving factors behind born global emergence
Aspelund&Moen	2005	MIR	paper presents a classifications of SMEs on the basis of the rapidity and extent of their international activities
Autio et al.	2000	AMJ	in this paper, knowledge and learning theory are applied to explore rapid internationalisation of high-tech firms
Bell	1995	EJMKTG	paper proposes a critical evaluation of incremental internationalisation theories
Bell et al.	2004	ISBJ	paper investigates linkages between business strategy, patterns, processes and pace of internationalisation
Blesa et al.	2008	JIE	paper focuses on how born global acquire market knowledge from foreign markets and develop sustainable positional advantages on these markets
Bloodgood et al.	1996	ETP	paper addresses the effect of initial conditions on post and pre IPO internationalisation
Boter&Holmquist	1996	JBV	paper compares internationalisation process in traditional manufacturers and innovation-oriented firms
Cabrol&Nlemvo	2009	EMNGMJ	paper investigates the main features of born globals located in the French Rhone-Alps region
Cheng&Yu	2008	IBR	paper reveals that three types of institutional isomorphic pressure (i.e., coercive, mimetic and normative pressures) drive SMEs to expand abroad earlier, to move aggressively and to use a more radical style in the internationalisation process
Chetty&Campbell-Hunt	2004	JIMKTG	paper uses both the traditional and the “born global” approaches as a framework to study the internationalisation processes of the firms
Chetty&Wilson	2003	IBR	paper explores the role of network relationships in the internationalisation of small and medium-sized enterprises
Contractor et al.	2005	MIR	paper analyses the international growth and the competitiveness of software companies in newly-industrialising countries of India and Taiwan over the past decades
Coviello	1997	IBR	paper examines the influence of network relationships on the internationalisation process of born globals
Coviello	2006	JIBS	paper advances a set of propositions regarding the network dynamics of early-stage international new ventures
Coviello&Cox	2006	JIE	paper explores how networks facilitate resource development in born global firms
Coviello&Munro	1995	EJMKTG	paper examines the born global's approach to international market development focusing on their use of network to pursue foreign market opportunities and conduct international marketing activities
Crick	2009	IMR	paper examines the differences between born global and INVs in respect of their performance in overseas markets
Crick&Jones	2000	JIMKTG	paper Investigates the internationalisation process of high-tech firms

Crick&Spence	2005	IBR	paper discusses the internationalisation strategies of "high performing" UK high-tech small and medium-sized enterprises
Di Gregorio et al.	2008	JWB	paper present a framework for born global as the cross-border nexus of individuals and opportunities
Dib et al.	2010	JIE	paper studies three sets of internal variables (firm, network, and entrepreneur variables) which differentiated born global and traditional exporters
Evangelista	2005	JIE	paper explores the major elements contributing to the creation of a born global
Evers	2010	JIE	paper explores the environmental/industry factors bringing about the internationalisation new ventures operating in the aquaculture industry
Evers&Knight	2008	IMR	paper investigates the role that international trade shows play in the internationalisation process of small exporting firms
Fernhaber et al.	2007	ETP	paper offers propositions as to how the industry structure variables individually and jointly influence the likelihood of born global internationaliation
Fernhaber et al.	2008	JIBS	paper analyse the relationship between the concentration of industry clustering within a geographic location and the venture's internationalisation
Fernhaber&Li	2010	ETP	paper examines the impact of inter-organisational imitation on new venture international entry and subsequent performance
Fernhaber&McDougall-Covin	2009	ETP	the purpose of this article is to shed insight into multiple resources that venture capitalists bring to a new venture and in particular, how intangible resources contribute to new venture internationalisation
Fillis&Lee	2011	EJMKTG	paper analyses performance and internationalisation activities of five Korean theatre born global companies
Freeman et al.	2006	JIMKTG	paper explores how born global overcome these constraints by using technology to achieve competitive advantage and by networking competences to develop a range of alliances and collaborative partnerships
Freeman et al.	2010	IBR	paper studies how born-globals' managers use both pre-existing and newly formed relationships to quickly and proactively develop new knowledge for rapid commercialisation of their products
Freeman&Cavusgil	2007	JIMKTG	paper focuses on the attitudinal orientations of senior management
Gabrielsson et al.	2008a	IBR	paper clarifies the definition of a born global and to describe the three phases-introductory, growth and resource accumulation, break-out to independent growth as a major player-through which firms progress.
Gassmanna&Keupp	2007	JWB	paper explores what factors enable born global to internationalise early and rapidly
Han	2006	JIE	paper proposes a conceptual model for analysing the strategies of start-up in the context of building social capital to achieve superior performance in internationalisation
Ibeh	2005	MIR	paper explores the influence of key resource categories and strategic orientation on the international performance of SMEs within agribusiness sectors
Jantunen et al.	2008	JWB	paper explores the role of the strategic orientation in born global companies

Johnson	2004	JIE	paper examines factors influencing the early internationalisation of born global in order to understand why are increasingly international in nature at or near inception
Keeble et al.	1998	SBE	paper addresses to the the importance and the extent of internationalisation processes and networks in hi-tech-SMEs
Khavul et al.	2010a	JBV	paper analyses how organisational entrainment positively moderates degree, scope, and speed of internationalisation and performance of born global
Khavul et al.	2010b	JIMKTG	paper shows how born global from emerging economies develop customer-focused dynamic capabilities
Kiss&Danis	2008	EMNGMJ	paper examines the role of social networks in the internationalisation processes of born global in contexts characterised by different levels of institutional development
Kiss&Danis	2010	JIE	paper examines the role of social networks in the internationalisation process of born global in the context of transition economies
Knight	2001	JIMNGM	paper examines the role of international entrepreneurial orientation, key strategic activities, and the collective effect of these constructs on the international performance of born global firms
Knight et al.	2004	IMR	paper analyses tha key factors in the international success of born global
Knight&Cavusgil	2004	JIBS	paper investigates innovation and organisational capabilities' effect on born global performance
Knight&Cavusgil	2005	MIR	paper develops a taxonomy of born global companies
Knight&Kim	2009	JIBS	paper uncovers a collection of intangible capabilities that are especially salient to born global and their growing international involvement
Kocak&Abimbola	2009	IMR	paper analyses the organisational structure, the entrepreneurial processes adopted in creating firms, as well as marketing and learning orientation in the successful early internationalisation of enterprises from emerging economies
Kotha et al.	2001	JIBS	paper Investigates antecedents of Internet firm internationalisation
Kropp et al.	2006	IMR	paper examines the interrelationships between aspects of entrepreneurial, market, and learning orientations and born global performance
Kuemmerle	2002	JBV	paper applies FDI and knowledge management theories to scope and sequence of international activities
Kuivalainen et al.	2007	JWB	paper explores the relationship between entrepreneurial orientation and two different born-global strategies, namely true born-global and born-international and the effectiveness of these two born-global pathways
Kuivalainen et al.	2010	JIE	paper explores the internationalisation process of small knowledge-intensive firms by studying the effects of a firm's organisational capabilities on internationalisation and performance
Kundu&Katz	2001	SBE	paper investigates how factors affect export performance in born-international firms
Loane	2006	JIE	paper examines the role of the Internet in marketing, distribution, business processes, market intelligence and competitor analysis of born global firms

Loane et al.	2007	JWB	paper demonstrates the significant impact that management teams have in creating the core internal capabilities and leveraging the external resources required for rapid and dedicate internationalisation
Loane&Bell	2006	IMR	paper investigates how born global actively used existing networks to develop their knowledge of international markets and improve their international competitiveness
Lopez et al.	2009	JIBS	paper provides empirical evidence about born-global firms in the software industry of a small developing country with an open economy, i.e. Costa Rica
Lu et al.	2010	JIBS	paper investigates the relationships between capabilities, resources, and international performance among born global in an emerging economy
Luo et al.	2005	IMR	paper analyses the influence of top management team's international experience, innovative and marketing capabilities on the speedy foreign market entry by e-commerce companies
Madsen&Servais	1997	IBR	paper summarises the empirical evidence reported about born global and generates propositions about the antecedents as well as the necessary and sufficient conditions for the rise of these firms
Malhotra&Hinings	2011	JIBS	paper compares the internationalisation processes of three organisation types (the mass production, the disaggregated production, the project-based organisation) on the basis of entry, the degree of presence and physical presence requirements in the foreign markets
Manolova et al.	2010	JWB	paper analyses the role of the personal and inter-firm networks for the survival and growth of born global in transition economies
Mathew et al.	2010	JIMKTG	paper examines the pivotal role of ambidextrous innovation in the strategy-performance thesis of the export ventures of high-technology born global firms
McAuley	1999	JIMKTG	paper explores the internationalisation process of micro firms in the arts and craft sector
McDougall et al.	1994	JBV	paper discusses about the limitations of existing theories from the field of IB in explaining the behavior of INVs and confirms these assertion through case-study research
McDougall et al.	2003	JIE	paper compares entrepreneurial team experience, strategy and industries factors among Internatioanl New Ventures and Domestic New Ventures
Moen	2002	IMR	paper develops further understanding of the born global phenomenon by studying the differences existing between born globals and traditional exporters in terms of competitive advantages, export strategy, global orientation, and environmental situation
Moen et al.	2003	JIMKTG	paper focuses on how small exporting firms use the Internet in their international marketing activity
Moen&Servais	2002	JIMKTG	paper aims to examine the existence of gradual development patterns of firm internationalisation
Morgan-Thomas&Jones	2009	ISBJ	paper investigates the post-entry internationalisation dynamics of born global, specifically the speed at which their international sales develop after initial entry
Mort&Weerawardena	2006	IMR	paper studies how networking capability enables identification and exploitation of market opportunities, facilitates the development of knowledge-intensive products and firm international market performance in the born global firm. The issue of network rigidity is also highlighted

Musteen et al.	2010	JWB	paper analyses how the structural, cognitive and relational aspects of the international network of SME CEOs affect born global international speed and performance
Naudé&Rossouw	2010	JIE	paper aims to investigate the main factors in chinese born global firms
Nordman&Melén	2009	JWB	paper shows how the founders' and managers' different combinations of technological and international knowledge impact the firms' proactive or reactive behavior in discovering foreignmarket opportunities
Nummela et al.	2004a	JIE	paper discusses the importance of the relationship in born global firms
Oesterle	1997	MIR	paper interpretes the "timing of the internationalisation start" as a coontinuum reaching from firms being international form inception to firms which never internationalise
Oviatt&McDougall	1997	MIR	paper explores the challenge of born globals to existing internationalisation process theory
Oviatt&McDougall	2005a	ETP	paper provides a reformulated definition of IE and presents a model of speed internationalisation drawing on four forces (enebling, motivating, mediating and moderating)
Pla-Barber&Puig	2009	IBR	paper provides insight into the impact of industrial districts on the international activities of firms
Prashantham&Dhanaraj	2010	JMNGMS	paper explores the origin, evolution, and appropriation of social capital by new ventures seeking international growth
Preece et al.	1999	JBV	paper discusses the antecedents of international intensity and global diversity in born global
Presutti et al.	2007	IBR	paper addresses to analyse the role of the social capital as a critical source of knowledge acquisition abroad in born global firms
Rhee	2005	MIR	paper presents some proposition which clarify the conditions under which the Internet is more likely to induce faster international expansion
Rialp et al.	2005b	JIE	paper analyses a wide number of factors generally associated with the born-global or gradual internationalisation paths and it indicates that both constitute two consistent and distinctive patterns of international development
Rialp-Criado et al.	2010	EMNGMJ	paper offers a deeper conceptual understanding of the early and rapid internationalisation process of born-global firms by applying the lens of the strategy-making process
Sasi&Arenius	2008	EMNGMJ	paper aims to explore the role of networks, particularly social networks, in the rapid internationalisation process
Schwens&Kabst	2009b	IBR	paper compares the process of learning in the entry phase of internationalisation between born globals and late internationalisers
Schwens&Kabst	2009a	JIE	paper theoretically explores how asset specificity, prior international experience of the management team, and international network contacts impact early internationalisation of the firm
Sharma&Blomstermo	2003	IBR	paper proposes and exemplifies born global internationalisation-based entrepreneur and network knowledge
Shrader et al.	2000	AMJ	paper analyses how international risk is dealt with in new venture foreign market entry

Spence	2003	JIE	paper examines the strategy development patterns of born global companies
Spence et al.	2007	MIR	paper draws on theories of the SME internationalization process to compare profiles of international new ventures and domestic new ventures
Spence&Crick	2006	IMR	paper provides insights into the internationalisation strategies of Canadian and UK high-tech SMEs
Thai&Chong	2008	JIE	paper analyses factors leading to the formation of born globals in firms from advanced and open economies
Tuppura et al.	2008	IBR	paper aims at linking the characteristics of the firm's resource-base, its market-entry timing orientation and international growth orientation (it compare born globals, born-again globals and traditional exporters)
Weerawardena et al.	2007	JWB	paper theoretically explores how specific capabilities affect speed, scope and performance of born global firms
Yamakawa et al.	2008	ETP	paper explores the factors which drive some born global from emerging economies to enter developed economies
Yeoh	2000	JIMKTG	paper assesses born global's need for information and how they bridge the information gaps
Yeoh	2004	IMR	paper employs learning-based theory to shed light on performance among born global companies
Yli-Renko et al.	2002	IBR	paper develops a model aims at explaining the role of intra- and inter-organisational relationships in building the firm's distinctive knowledge base and in achieving international growth
Yu et al.	2011	SMJ	the study analyses how new venture technological and marketing alliances influence the likelihood that a venture initiates sales in international markets
Zahra et al.	2000	AMJ	paper investigates internationalisation, resulting learning effects and performance
Zahra et al.	2003	JIE	paper Investigates how new ICT firms leverage tangible and intangible assets in the internationalisation process
Zettinig and Benson-Rea	2008	EMNGMJ	paper proposes a coevolutionary approach in order to explain the strategic development of born globals
Zhang et al.	2009	JIE	paper identifies and validate five key dimensions of international entrepreneurial capability and finally validates them to examine the relationship between international entrepreneurial capability and global market performance
Zhou	2007	JWB	paper examines the effects of entrepreneurial proclivity and foreign market knowledge on early internationalisation
Zhou et al.	2007	JIBS	paper analyses the mediating role of the home-based social networks in the relationship between inward and outward born global internationalisation and performance
Zhou et al.	2010	JIBS	paper examines how capabilities influence the born global internationalisation performance
Zou&Ghauri	2010	IMR	paper studies how high-tech firms from China internationalise and determines whether they follow a gradual and/or rapid internationalisation model
Zucchella et al.	2007	JWB	paper analyses which variables determine an early international orientation

Source: author's personal elaboration