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Special Issue: International marketing knowledge and international entrepreneurship in the contemporary multi speed global economy

INTRODUCTION

The past two decades have witnessed the relentless advancement of a body of knowledge focused on explaining aspects of firms’ entrepreneurial internationalisation behaviour, including the actions of their key decision makers or management teams. This literature base has, in no small measure, benefited from research originating from the McGill International Entrepreneurship Conference Series, which marks its 20th anniversary in 2018. The cross disciplinary ethos of this nascent scholarly community is amply reflected in the wealth of international entrepreneurship (IE) studies that actively bridge the contiguous domains of international marketing, international management, international business and much else. The present Special Issue extends this admirable tradition by showcasing boundary spanning research that contributes to both theory and practice.

The selected papers have drawn on a range of theoretical perspectives to further understanding of how emerging developments, including technological advances, in the multi-speed global economy are affecting entrepreneurs’ internationalisation activities. In addressing conditions of heightened uncertainty that characterise the contemporary global economy of upended orthodoxies and diverging growth speeds, management teams are having to capitalise upon existing knowledge and experience, but also developing new capabilities and competencies, including via complementary network pathways. For decision-makers in small, under-resourced firms, this typically entails taking a more creative and improvisational approach to ‘widely established’ marketing principles like planning and information gathering, e.g. by compressing the process of acquiring and validating market knowledge and accelerating the internationalisation of ‘limited-window’ innovations, with a view to gaining pioneering advantages, among other reasons. This approach, for the most part, describes the modus operandi of the expanding brigade of disrupters spawned, notably, by the digital and sharing economies, and their innovative and collaborative business models. The burn rate of limited funds typically available to such resource-challenged firms means that persisting with costly and time consuming in-depth market research and planning might, indeed, expose them to the very real risk of going out of business.

The above tendencies partly account for the widely observed prevalence of international new ventures’, ‘born globals’, and similar actors that internationalise rapidly and exhibit trajectories different from the gradual, incremental pattern suggested in earlier seminal work. Such entrepreneurial international firms, and the varying contexts - sectoral, geographical, institutional – within which they innovate, operate and strategize, offer rich platforms for research at the international marketing-international entrepreneurship interface. A far from exhaustive list of research questions that might benefit from more in-depth insights include: how management teams leverage marketing thinking in the exploration and exploitation of entrepreneurial opportunities across national borders; how management teams disrupt competitive dynamics in various industries or mitigate risks in overseas markets; and how management teams deploy marketing resources and capabilities in developing international marketing strategies and the effects of such deployment on outcomes achieved. Examining these issues from multi-contextual lens would be additionally helpful since previous pertinent studies dominantly take an advanced economy perspective, which is not necessarily transferable to the-developing economy firms, or even immigrant or transnational entrepreneurs operating astride divergent institutional environments.

In summary, this current special issue was motivated by the need to address under-researched themes, such as the above, and, in so doing advance knowledge at the international marketing-international entrepreneurship interface. The many rigorous contributions received understandably made decision-making rather difficult, but the guest editors are convinced that the final seven
papers, selected after several rounds of reviews and enhancements, help address gaps in the literature and signal avenues for future research. The contributions pertain to firms of differing sizes and organisational orientations (e.g. profit and not-for-profit) that operate in various product-markets, including services. The papers further reflect different stakeholders’ perspectives, including those of owner-managers, customers (specifically buyer-supplier relationships), and policy makers that focus on internationalisation support provision.

This editorial piece now briefly outlines each of the seven Special Issue articles.

THE SPECIAL ISSUE PAPERS

The first paper, authored by Evers and colleagues, is entitled “Local horizontal network membership for accelerated global market reach”. It examines how committed membership of a highly collaborative horizontal network actively intermediated by an industry association influences the rapid internationalisation and growth of born global ventures, including their acquisition and sharing of international market knowledge and customers. The study draws on 16 Irish firms operating in the *uber* globalised animation industry characterised by coopetition strategies (simultaneous collaboration and competition). The findings suggest that these collaborative networks and their associated collective experiences and communal legitimacy facilitated rapid global market development or opportunity exploration among member firms. Network members were reportedly able to leverage rich internal social capital, to acquire and share foreign market intelligence as well as bridge structural holes between member firms and foreign customers and partners. These findings, the authors argue, challenge previous evidence that suggests close social relations and ties amongst local network members as having adverse effects on international market performance.

The second paper, on “Institutional environment and network competence in successful SME internationalisation” is by Torkelli and colleagues and it examines the influence of institutional environment and network competence on the international performance of SMEs. The study draws on the institutional theory, the dynamic capabilities perspective, and a sample of 119 internationally active Finnish SMEs from several industries. The findings reveal that institutional drivers exert direct and indirect influences on the international performance of SMEs, and that network competence mediates the positive relationship between institutional drivers and international performance. The authors thus contend that developing network capabilities, including the ability to manage business networks, can help SMEs leverage their institutional environments for sustainable successful internationalisation. The institutional drivers-performance relationships also appear to be partially mediated by dynamic capabilities.

Paper three, on “Managing the challenges of piggybacking into international markets” by Rosenbaum and colleagues, draws on a longitudinal case study of collaboration between a small software developer and a global software player to advance understanding of how piggybacking partners attempt to overcome inter-firm diversity and co-create value for global customers. The authors contribute to knowledge by empirically assessing the viability of piggybacking from knowledge sharing and trust development lens. The findings indicate that despite differences in size and organisational cultures, top managers seemed initially able to facilitate collaboration via knowledge-sharing initiatives. However, these efforts subsequently foundered at the middle management level owing to misaligned incentives, leaving both parties unable to reap the potential benefits of piggybacking in global markets. Recommendations for reconciling divergent organisational cultures, partner selection and aligning incentives in piggybacking arrangements are advanced.

The fourth paper, by Glavas and colleagues, is entitled “Knowledge acquisition via Internet-enabled platforms: examining incrementally and non-incrementally internationalizing SMEs”, and it examines how SMEs’ owners/founders acquire and utilise internationalisation knowledge via Internet-enabled platforms. The study draws on the experiences of 13 Australian SME
owners/founders, analysis of which reveals four differing types of Internet-enabled experiences: “Technical Internet-Enabled Experiences,” “Operational Internet-Enabled Experiences,” “Functional Internet-Enabled Experiences,” and “Immersive Internet-Enabled Experiences.” These experiences, the authors explain, can generate both explicit and tacit forms of knowledge for the pre, early and later phases of internationalisation. The findings lay the necessary groundwork for building an evidence base and theoretically extending the concept of knowledge acquisition via Internet-enabled platforms.

Paper five, on “Capitalising on knowledge from big-science centres for internationalisation” is authored by Nummela and colleagues, and it investigates how resource-constrained, knowledge-intensive firms capitalise on knowledge gained from collaboration with big-science centres. It particularly focuses on the kind of knowledge a firm obtains and its efficient use in exploring and exploiting inward and outward internationalisation opportunities. Based on a longitudinal study of two knowledge-intensive Estonian companies collaborating with the European Space Agency (ESA), the authors uniquely find the search for resources rather than simply market knowledge to be of preponderant importance in the focal firms’ internationalisation processes. This deviates from the received wisdom in much of the existing literature. The case firms’ internationalisation was also characterised as a nonlinear process, advanced by co-creation, learning, risk reduction, and exploitation of emergent knowledge, which correspondingly leads to an improved international expansion, network position and identification of further opportunities.

The sixth paper by Zuchella and colleagues is entitled “Coping with uncertainty in the internationalisation strategy: an exploratory study on entrepreneurial firms”, and it addresses how smaller, entrepreneurial internationalising firms make decisions regarding appropriate strategic options under conditions of uncertainty. Based on ten firms that adopted a global niche strategy (GNS) as an uncertainty coping and growth-seeking mechanism, the authors advance an uncertainty coping internationalisation process model, built around a focused and superior/unique offering that insulates smaller firms from competition. This approach, they posit, can be sustained through continual learning, customer problem solving, technology upgrade as well as use of home country-based production facilities for enhanced technology control and internal learning. The findings suggest that case firms counterintuitively cope with uncertainty by concentrating on a few customers, not outsourcing or offshoring, but pursuing vertical integration and local production. They also cope with the challenge of niche sustainability not by moving from niches to mass markets, but by becoming larger within their niche and developing a portfolio of niche businesses along the same technological platform. As the authors contend, the observed niche strategy is neither a follow-the-customer approach nor a reactive posture, but one based on the proactive identification of customers wherever they are located, anticipating their needs, solving their problems, and ultimately co-creating value and innovating through customer interactions.

The final paper entitled “The qualitative case research in international entrepreneurship: a state of the art and analysis” is by Dimitratos and colleagues, and it examines the conduct and onto-epistemology of qualitative case research (QCR) in international entrepreneurship (IE) research, including its use in contextualizing, capturing and illuminating the complexity of IE opportunities, events, conditions, relationships, and processes. Based on the analysis of the theoretical purpose and research design of 292 IE journal articles published between 1989 and mid-2017, the study finds “positivistic” QCR to be the dominantly adopted approach in IE research, with “exploratory” and “theory building” emerging as the two most prevalent objectives. The authors find departures from positivistic assumptions to be at a relatively early stage in IE research. Positing their study as the first to examine QCR onto-epistemology and methodology approaches in IE, they call for greater methodological rigour and transparency in the reporting of QCR and for more non-positivistic QCR studies.

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