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“International Business in the Pandemic and Post-Pandemic Era”



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Real options and strategic assets in SME internationalization strategy

A real option's perspective on virtual market entry

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While the Internet offers new and less cost-intensive ways to enter foreign markets, existing entry mode literature has primarily concentrated on offline modes of foreign entry. In this paper, we propose that active online internationalization, i.e. the creation of websites involving a degree of local specificity in the design and content, provides a real growth option investment to firms. We furthermore suggest that the identification and creation of this option depends on entrepreneurial capabilities. Using a sample of around 200 Austrian manufacturing SME exporters, we find that firms that are more entrepreneurially oriented are more likely to invest in active online internationalization.

The impact of the entrepreneurial team experience on the internationalization of new ventures

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Extant research on entrepreneurial experience in International Entrepreneurship has predominantly focused on the individual and has neglected the overall team knowledge. Using a sample of Italian and German new ventures, this study relates a variety of experience dimensions to the speed of reaching significant foreign sales (25 percent). Upper Echelon theory is transferred to the context of the new and small firm and used to theorize the impact of entrepreneurial team experience on strategic decisions and, in turn, the venture's speed to reaching significant export intensity. Special attention is paid to the many facets of experiential knowledge. Results of an OLS regression employed on a set of 98 firms confirm the importance of the teams' industry experience, while, surprisingly, international experience exerts a significant but negative effect on the speed to reach significant foreign sales. Experience in import-export related functions and gained in MNEs, as well as foreign language competence do not show significant impact.

Role of managerial cognition on internationalization earliness and acceleration

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During the last years, the world has faced several downturns – of which the Covid-19 is the latest. However, from 2008 onwards, the economic recession occurred affecting all markets across the globe, and, in particular, mature markets in Western Europe. In addition, strongly growing emerging markets in Europe were affected, such as the Baltic States and Poland, but to a lesser extent. Internationalized SMEs were especially hit by these hard times due to their vulnerability and small size. As knowledge is regarded as a key ingredient for firms undertaking international business due to the assumption of decreasing uncertainty and promoting further international investments, the importance of experiential knowledge in being resilient during the global economic recession will be examined in this

paper. Our examination follows two subsequent stages. First, we cluster 144 international Swedish SMEs into four experiential knowledge profiles prior to the economic crisis in 2008. Second, the clusters are regressed on changes in market and network commitment during the financial crisis. Our data was collected at two distinct points of time. The data used to establish the knowledge profile of the SME was collected in 2007-2008. The data on commitment changes was collected after the recession decline in 2013. Our results show that the exporter profile called Learners holds the least positive market commitment change, as well as the lowest level of network commitment, in comparison to the profiles of Masters, Customer Experts and Country Experts. In particular, there is a significant difference regarding the profile labeled Masters. Thus, the paper contributes insight to how Swedish SMEs addressed their commitment in emerging markets during the economic crisis in order to stay resilient in times of turbulence.