



**How having an
Internationalization Strategy and
a focus on the International
Market since the beginning
impacts the success of a SME?
Case Study: LaPaz**

Miguel César Machado Ortigão de Oliveira

Dissertation written under the supervision of Professor Nuno
Cardeal.

Dissertation submitted in partial fulfilment of requirements for the
MSc in Management with Specialization in Strategy, Entrepreneurship
and Impact, at the Universidade Católica Portuguesa, 29/12/2025.

Abstract

Previous studies show that internationalization generates relevant benefits in terms of efficiency, learning and innovation. Global markets are particularly important for small and medium-sized enterprises (SMEs), helping them to overcome limited domestic market and gain valuable international experience and resources, which strengthen their managerial capabilities. The main purpose of this dissertation is to analyse how having an internationalization strategy since the very beginning can influence the success of SMEs.

To address this objective, a case study of the Portuguese SME LaPaz was adopted. This research methodology allowed us to explore in-depth the internationalization process of LaPaz, assessing how this SME's early focus on international markets has shaped its growth, global positioning, and overall performance.

The findings reveal that LaPaz's early and deliberate international focus combined with appropriate entry strategies and a coherent international marketing approach played a decisive role in the success of this SME. This research also indicates that the adoption of a standardized international strategy allows SMEs to maintain a consistent identity across markets, reduce operational complexity, and achieve efficiencies that are especially important for resource-constrained firms.

These findings contribute to the extant body of knowledge on internationalization strategy, international marketing, and market entry strategies, and provide relevant practical recommendations for SMEs seeking to optimise their internationalization strategies. Furthermore, this dissertation offers students the opportunity to apply strategic management and international marketing concepts to a real and dynamic SME and helps them understand the strategic challenges faced by an early internationalized firm.

Title: How having an Internationalization Strategy and a focus on the International Market since the beginning impacts the success of a SME?

Author: Miguel César Machado Ortigão de Oliveira

Keywords: internationalization; Born Global Firms; standardized vs adaptative internationalization strategy; international marketing; SME

Resumo

A internacionalização gera benefícios de eficiência, aprendizagem e inovação. Os mercados internacionais são particularmente importantes para as pequenas e médias empresas (PMEs), ajudando-as a superar as limitações do mercado interno e a ganhar recursos internacionais valiosos, que fortalecem as suas capacidades de gestão. Esta dissertação pretende analisar como é que o facto de uma PME ter uma estratégia de internacionalização desde o início pode influenciar o seu sucesso.

Para responder a este objetivo, foi adotado um estudo de caso da PME portuguesa LaPaz. Esta metodologia permitiu-nos explorar em profundidade o processo de internacionalização da LaPaz, avaliando como o foco inicial desta PME nos mercados internacionais influenciou o seu crescimento e desempenho.

Os resultados demonstram que o foco internacional precoce e deliberado da LaPaz, combinado com estratégias de entrada adequadas e uma abordagem de marketing internacional coerente, desempenharam um papel decisivo no seu sucesso. Esta investigação também indica que a adoção de uma estratégia internacional estandardizada permite manter uma identidade consistente, reduzir a complexidade operacional e alcançar eficiências que são especialmente importantes para empresas com recursos limitados.

Esta investigação contribuiu para a literatura sobre estratégia de internacionalização, marketing internacional e estratégias de entrada no mercado, e providencia recomendações práticas relevantes para PMEs que procuram otimizar a sua internacionalização. Adicionalmente, esta dissertação oferece aos alunos a oportunidade de aplicar conceitos de gestão estratégica e marketing internacional a uma PME real e dinâmica, e de compreender os desafios estratégicos enfrentados por uma empresa que segue uma estratégia de internacionalização desde o início.

Título: Como é que ter uma estratégia de internacionalização e um foco no mercado internacional desde o começo influencia o sucesso de uma PME?

Autor: Miguel César Machado Ortigão de Oliveira

Palavras-chave: internacionalização; empresas *Born Global*; estratégia internacional estandardizada vs. adaptada; marketing internacional; PME

Acknowledgements

The completion of this dissertation marks not only the end of an extraordinary academic journey but also the beginning of a new and exciting chapter. This process has been both demanding and rewarding, filled with moments of doubt, resilience, and growth. Throughout these months of research, writing, and reflection, I have been fortunate to be surrounded by incredible people who, in different ways, have provided unwavering support, guidance, and encouragement. This work would not have been possible without them, and I want to take this opportunity to express my sincere gratitude.

Firstly, I would like to sincerely thank my supervisor, Professor Nuno Cardeal, for the insightful guidance and feedback. Professor Nuno's comments and guidance have surely increased the quality of my work since he always guided me in the right direction and provided a constructive feedback.

To the interviewees, I would also like to express my gratitude for being a fundamental source of information, for their prompt availability and generosity in supporting this study, and for sharing their valuable work with me, which was undoubtedly crucial to obtain the data and insights needed for this dissertation.

To my family, for always pushing me to do more, for helping and inspiring me, each in their unique way.

Lastly, a special thanks to my colleagues and friends, for being there at every stage of my academic journey, and for your constant reassurance, unwavering support, and contagious good mood making this a pleasant experience

Index

- Introduction..... 7**
- 1. Method..... 9**
 - 1.1. Research Approach 9**
 - 1.2. Data Collection Methods 9**
 - 1.3. Data Analysis 10**
- 2. Research Notes 11**
 - 2.2. Internationalization Strategy 11**
 - 2.2.1. Concept of Internationalization 11
 - 2.2.2. Internationalization and Performance 12
 - 2.2.3. Born Global Firms and Early International Firms 13
 - 2.2.4. Standardized vs Adaptive Internationalization Strategy 15
 - 2.3. International Marketing 16**
 - 2.3.1. Segmentation and Targeting 16
 - 2.3.2. Positioning..... 17
 - 2.3.3. Marketing Mix..... 18
 - 2.3.4. Market Selection 18
 - 2.3.5. Entry Modes 20
- 3. Case Study 22**
 - 3.2. LaPaz 22**
 - 3.2.1. Characteristics of the Organization 22
 - 3.2.2. Presence in the Domestic Market vs. International Market 23
 - 3.2.3. Market in which LaPaz Operates 23
 - 3.2.4. International Strategy 25
 - 3.2.5. International Marketing..... 26
 - 3.2.6. Initial Investments Required for LaPaz's Internationalization Strategy. 36
 - 3.2.7. Impact that having a Strategy of Internationalization from the Beginning had on the Company's Success 36

3.2.8. Goals for the Future.....	37
4. Teaching Notes	38
4.2. Synopsis.....	38
4.3. Goals	38
4.4. Questions	40
Conclusion.....	49

Index of Figures

Figure 1: Evolution of LaPaz sales (2013-2024)	23
Figure 2- Example of LaPaz products	28
Figure 3: Example of different versions of the Cunha Model Sweatshirt.....	28
Figure 4- Collaboration between LaPaz and Portuguese Flannel	29
Figure 5: LaPaz Google Ads	31
Figure 6: Example of LaPaz informative post	31
Figure 7: Posts showing the versatility of LaPaz	31
Figure 8: Artistic posts related to the ocean	32
Figure 9: LaPaz promoting a lifestyle related to the sea	32
Figure 10: Articles about LaPaz	33
Figure 11: Posts of famous people wearing LaPaz	33
Figure 12:LaPaz collaboration with GNR.....	34
Figure 13: Markets where LaPaz is present	34

Introduction

The main objective of this dissertation is to analyse how having an internationalization strategy since the very beginning can influence a firm's success, particularly in the context of small and medium-sized enterprises (SMEs), in Portugal.

Most extant research focused on large corporations, limiting managerial implications to SMEs - despite the fact that in Europe they account for 99% of businesses and more than half of GDP and employ around 90 million people (European Commission, 2024a and b). In Portugal, SMEs are the main economic driver, they account for 99.9% of non-financial companies, 63,6% of the gross value added and 77,9% of the employment (INE, 2024; Jornal de Negócios, 2024). SMEs differ from larger corporations not just in size, but in objectives, managerial style, and marketing (Carson, 1990), and they need guidance on how to manage their brands internationally while keeping to their budgetary constraints. This study aims to make a relevant contribution in this respect.

To address this objective, this thesis is centred on a case study of the Portuguese clothing brand LaPaz. This research methodology will allow us to explore the internationalization process of LaPaz, assessing how the company's early focus on international markets has shaped its growth, positioning, and overall performance. Understanding this process required a comprehensive study of the main theoretical frameworks related to internationalization, international marketing, and market entry strategies. These topics were selected carefully to provide a structured foundation for analysing the LaPaz case and to ensure a deeper understanding of the factors that determine success in early internationalized firms.

The empirical part of the thesis applies the theoretical insights to the case of LaPaz, through an in-depth analysis of the brand's internationalization strategy. To achieve this, this research uses qualitative data collection methods, including semi-structured in-depth interviews. The interviews provide a valuable perspective on how the brand's international orientation has contributed to its development, offering first-hand insights into the company's vision, motivations, and strategic decisions.

Ultimately, from a pedagogical perspective, this dissertation aims to offer students the opportunity to apply strategic management and international marketing concepts to a real and dynamic SME. By analysing the internationalization process of LaPaz, this teaching case helps students bridge the gap between theory and practice, develop analytical and critical thinking skills, and understand the strategic challenges faced by an early internationalized firm. Through

this pedagogical approach, the thesis provides relevant material for courses in international management and international marketing, supporting a deeper understanding of how SMEs expand and compete in global markets.

1. Method

1.1. Research Approach

The nature of this investigation is exploratory and descriptive, and it follows a qualitative data collection approach. A case study methodology was adopted to acquire a deep understanding of the particular situation under study (Adams et al., 2007). This method focuses on particularization rather than generalization, making it ideal for understanding “how” and “why” the adoption of an internationalization strategy by SMEs since the very beginning can influence their success (Yin, 2018; Adams et al., 2007). A case study involves several sources of information, including among others, observations and interviews, allowing the study of one specific case or multiple cases, in detail (Creswell, 2013). LaPaz was selected as case study for its relevant early efforts in targeting international markets.

Therefore, by using a case study methodology, this research aims to provide insights and answer two central research questions: “How can an early focus on international markets impact SMEs growth, helping them achieve a better overall performance?” and “What factors influence the success of SMEs internationalization strategy?”.

1.2. Data Collection Methods

Multiple qualitative data collection methods, stemming from primary and secondary data were employed in this study, for a comprehensive analysis of the strategies and programs implemented by LaPaz in international markets and to ensure a deep understanding of the factors that determine success in an early internationalized firm.

Primary data was collected through interviews with relevant stakeholders. Interviews are an insightful source for the development of a case study, as they focus directly on the topics under study and provide causal justification to the problem (Yin, 2018). Following Adams et al. (2007), we used semi-structured interviews. They allow for a more flexible approach, as there is scope for participants to raise issues that the researcher has not anticipated (Braun & Clarke, 2013). The interview scripts are presented in Appendix 1.

To select the interviewees, we employed a non-probabilistic purposive sampling method as we selected individuals with expertise and access to relevant information to answer the research questions (Patton, 2015). This sample includes the founders of LaPaz and the responsible for LaPaz’s financial department, as they have relevant knowledge or experience related to LaPaz internationalization strategy. Two interviews were conducted in November

2025 in person, lasting between 1 hour and 45 minutes each. The interviews were recorded with the participant's consent and transcribed thoroughly.

Secondary data includes raw and compiled documentary (both written and non-written materials) and other multiple sources (Saunders et al., 2023). It is a solid source of information as it can usually be retrieved repeatedly, exactly, and impartially, and it covers a broad range of periods (Yin, 2018). Several documents were analysed, comprising brand communication materials, articles about the brand and the fashion sector and documents on the internationalization of SMEs.

1.3. Data Analysis

Primary data was analysed using the thematic analysis method to identify key themes and patterns related to the research question (Braun & Clark, 2013). One of its main advantages is flexibility, allowing the researcher to capture information within the data without being restricted to any specific theoretical perspective (Braun & Clarke, 2006). Secondary data was analysed simultaneously to complement and contextualize primary findings.

2. Research Notes

2.2. Internationalization Strategy

2.2.1. Concept of Internationalization

Internationalization is a key concept in strategic management and marketing, reflecting the growing connection between economies and the increasing need for companies to expand beyond their national borders. Welch & Luostarinen (1988) define it as the process by which companies adapt their operations, strategy, structure, resources, and practices to international environments. Sapienza et al. (2006) also emphasize that internationalization is a gradual and progressive process through which companies expand across borders in response to internal ambitions and external pressures.

The reasons for internationalization are diverse. Root (1987) and Gupta & Govindarajan (2000) identified three main reasons: the growth motive, which leads companies to seek opportunities abroad when domestic markets become stagnant; the efficiency reason, which allows companies to exploit economies of scale and optimize resources; and the knowledge motive, which emphasizes the need to access new technologies, capabilities, and learning opportunities. The globalization of consumers and competitors is increasingly forcing companies to internationalize, both as a defensive strategy to stay competitive and as an offensive strategy to grab new growth opportunities (Puig et al., 2014).

Hence, internationalization is a multidimensional and dynamic process that has evolved from an option to grow to a condition for survival in an increasingly integrated and competitive global economy (Puig et al., 2014). Internationalization is influenced by economic rationality, behavioural learning, organizational resources, and network relationships, as well as managerial vision and adaptability. Companies that effectively align these elements gain access to new markets, technologies, and learning opportunities, reinforcing their long-term competitiveness, while those that fail to adapt risk stagnation or decline in a globalized landscape.

2.2.2. Internationalization and Performance

The relationship between internationalization and performance (I-P relationship) has been one of the most debated topics in the literature on international business. Early studies recognized that international expansion allows companies to exploit market imperfections and achieve superior economic results (e.g., Grant, 1987). Internationalization allows companies to spread fixed costs over larger volumes, reduce dependence on a single market, and gain market power over suppliers and distributors (Caves, 1996).

Empirical research shows that internationalization can also improve performance through higher revenues, greater efficiency, and enhanced innovation (Bharath, et al., 2014). Firms benefit from risk diversification, reduced production costs, and the accumulation of international experience, which strengthens their knowledge base and managerial capabilities (Lu & Beamish, 2004). However, these benefits are not automatic. Internationalization involves substantial costs, particularly in the early stages, such as high setup and coordination expenses, the responsibility of foreign presence (Hymer, 1976), and the challenge of managing geographically dispersed operations (Bartlett & Ghoshal, 1989).

In conclusion, internationalization represents both an opportunity and a challenge for companies. When supported by solid resources, strategic coherence, and effective management, it can generate significant benefits in terms of efficiency, learning, and innovation. However, without adequate coordination, it can generate decreasing returns and greater exposure to risk. Therefore, the effect of internationalization on performance should be understood as contingent and dynamic, shaped by the specific capabilities of the company, market characteristics, and the ability to balance global expansion with operational control (Johanson & Vahlne, 2009; Assaf et al., 2012).

Regarding international companies, it is important to distinguish between two types of companies, namely: Born Global (BGFs) and Early International Firms (EIFs).

2.2.3. Born Global Firms and Early International Firms

The pace of globalization has led to the emergence of companies that quickly go international after they are founded, challenging traditional models of gradual international expansion. Among them, BGFs and EIFs stand out for their early involvement in foreign markets. However, they differ in terms of strategic intent, resources, and pace of internationalization.

Born Global Firms

The concept of BGFs describes companies that, since their creation or right after, try to get a significant competitive advantage by selling products in multiple countries (Knight & Cavusgil, 1996). These companies typically achieve international sales within two to three years of their creation, often representing more than 25% of their total revenue (Luostarinen & Gabrielsson, 2004). Unlike traditional companies that follow a path of incremental internationalization, BGFs proactively seek opportunities abroad, guided by a global vision from their inception (Knight & Cavusgil, 2004).

BGFs are generally SMEs characterized by high levels of innovation, flexibility, and entrepreneurial orientation. As pointed out by Knight and Cavusgil (2004), these companies see the world as a single market, where borders are not that relevant and competition is global rather than local. They rely on intangible resources such as knowledge, technology, and network relationships instead of traditional assets such as capital or physical infrastructure (Oviatt & McDougall, 1994).

BGFs operate under conditions of resource scarcity, compensating through network-based strategies and using relationships to gain international knowledge and market access. These networks, composed by suppliers, distributors, and institutional partners, help to overcome obstacles related to size and experience, making it easier to enter several markets early on.

Knight and Cavusgil (2004) argue that BGFs have two essential orientations: international entrepreneurial orientation and international marketing orientation. The first reflects their proactive and innovative behaviour in seeking opportunities abroad, while the second emphasizes understanding global customers and developing differentiated strategies to serve them. This dual orientation supports fast market learning and increases adaptability, allowing BGFs to effectively navigate uncertainty and competition.

However, the success of BGFs has its challenges. Their rapid international expansion exposes them to significant financial and management risks, as well as cultural and institutional differences between markets (Moen & Servais, 2002). Resource constraints may also limit their ability to sustain operations in multiple countries simultaneously, leading to overexpansion or strategic misalignment. The sustainability of BGFs often depends on their ability to consolidate their initial growth, formalizing organizational processes and building strong strategic partnerships.

Despite these obstacles, BGFs represent a new paradigm in internationalization, highlighting speed, knowledge intensity, and global vision. They challenge traditional theories by showing that experiential knowledge can be quickly gained through digital networks and channels, rather than through gradual learning (Johanson & Vahlne, 1977). Lastly, BGFs demonstrate how entrepreneurial agility, innovation, and strategic networking allow even small businesses to compete successfully on a global scale.

Early International Firms

EIFs also engage in international operations shortly after their creation, although their approach differs from that of BGFs. EIFs typically expand abroad within the first three years, usually in response to external opportunities or competitive pressures rather than a deliberate global strategy (Madsen & Servais, 1997). Their internationalization process is generally more gradual and reactive (Hashai, 2011).

Unlike BGFs, EIFs usually start with a domestic orientation, expanding internationally when their domestic markets become saturated or less profitable. Their decision to internationalize is often driven by pragmatic considerations rather than a pre-existing global mindset. Consequently, they rely more on gradual learning and empirical knowledge (Johanson & Vahlne, 1977).

In conclusion, BGFs and EIFs differ essentially in strategic intention, orientation, and capability base. While BGFs are founded with a global vision, EIFs internationalize earlier than traditional companies, but usually in a more adaptive and incremental way. These two types of companies can pursue two different internationalization strategies, the standardized internationalization strategy or the adaptive internationalization strategy, which will be discussed in the next chapter.

2.2.4. Standardized vs Adaptive Internationalization Strategy

The debate between standardized and adaptive internationalization strategies has been a central topic in international marketing for decades. Standardization refers to the implementation of a common product, price, distribution, and promotion program across all markets (Theodosiou & Leonidou, 2003), while adaptation involves adjusting these strategies to meet local needs and preferences (Kotler et al., 2024). Levitt (1983) was one of the strongest supporters of standardization, arguing that global consumer convergence would allow companies to achieve economies of scale, a faster time to market, and a stronger competitive position. This perspective emphasizes efficiency and consistency. However, critics point out that cultural, economic, and infrastructural differences often make adaptation necessary (Whitelock & Pimblett, 1997). In fact, Onkvisit and Shaw (2009) emphasize that international environments are by nature more complex, as they involve multiple sets of uncontrollable variables which can render a standardized strategy ineffective. Contingency theory highlights that the effectiveness of either strategy depends on contextual factors such as market similarity, cultural distance, industry conditions, and organizational resources (Theodosiou & Leonidou, 2003).

The adaptive strategy emphasizes the customization of the company's strategy to local markets. This may involve changes in advertising language, packaging or product features, or entirely different business models (Dimitrova & Rosenbloom, 2010). Chung (2007) shows that cultural factors particularly affect promotion, and that companies must often adapt their communication while keeping other elements standardized. Adaptation recognizes cultural diversity and can improve customer responses (Doole & Lowe, 2008), it has also been associated with higher revenues and better export performance (Zaaiem & Zghidi, 2011).

Standardization offers clear benefits, such as cost reduction, simpler coordination, and higher brand equity through consistent global positioning (Ghantous, 2008, et al; Alexander & Doherty, 2010). However, over-reliance on standardization can reduce the ability to respond and increase the risk of market failure. Backhaus & van Doorn (2007) suggest that the choice is essentially a trade-off between the economic benefits of a standardized approach and the performance gains from adapting to local conditions. Several authors suggest that hybrid approaches offer the most effective solutions (e.g., Ghantous, 2008), recognizing that the degree of standardization or adaptation should depend on market conditions, industry dynamics, and organizational goals (Gao et al., 2022).

To better understand how the process of internationalization of a firm works, it is crucial to also study its international marketing strategy, namely, its segmentation, targeting and positioning and marketing mix strategy.

2.3. International Marketing

2.3.1. Segmentation and Targeting

Market segmentation, targeting and positioning are often referred as the key pillars of the marketing strategy (Wedel & Kamakura, 2002). Segmentation allows firms to more effectively serve heterogeneous markets, by identifying groups of buyers with similar needs, wants and behaviours (Bock & Uncles, 2002).

Segmentation differs across contexts: in business-to-consumers (B2C) markets it often relies on demographic (e.g., age, sex, income, social class, occupation, education), geographic (e.g., country, region, size of the city) psychographic (lifestyle, personality and values), or behavioural factors (e.g., usage occasion, benefits sought, usage rate, usage status, brand loyalty); while in business-to-business (B2B) it may be based on demographic (e.g., industry, company size, number of facilities) and geographic variables (e.g., country, region within country) but also on purchasing approaches (e.g., purchasing criteria, general purchasing policies), situational factors (e.g., urgency, size of order) and relational ones (e.g. nature of existing relationship, loyalty, buyer-seller similarities) (Cannon et al. 2016; Kotler et al., 2024).

Beyond domestic markets, segmentation is fundamental for international strategies (Mora Cortez & Hidalgo, 2022). Identifying segments of countries helps companies apply a uniform set of marketing decisions to a group of countries (Sethi, 1971), select appropriate markets to enter (Cavusgil et al., 2004), and transfer their previous experience in one country to similar markets (Sethi & Holton, 1973), making it easier to enter countries within the same cluster where they have already been successful (Sheng & Mullen, 2011). This initial stage of international market selection enables firms to screen out unattractive groups of countries and provides relevant “general insights” about the market (Steenkamp & Ter Hofstede, 2002, p. 199):

Overall, segmentation provides strategic value by enabling firms to better target customers, allocate resources, differentiate activities, and strengthen brand positioning at local, international, and global levels.

Targeting can be defined as the selection of the target market(s). According to Kotler et al. (2024) and Cannon et al. (2016), a company may follow a single target segment approach and target a small share of a broader market. Although this strategy entails a higher risk, it may allow the company to acquire a strong knowledge about the segment(s) needs/wants and, therefore, achieve a stronger market presence. Another possibility is for the company to follow a multiple target market approach, choosing several different segments and treating them as separate markets needing a different marketing mix. Companies that follow this strategy aims to achieve higher sales and a stronger overall market position, but they should be careful to not over-segment their markets (Kotler et al., 2024). Finally, companies may follow a combined target market approach, combining two or more submarkets into a larger market that is served through the same marketing mix strategy (Cannon et al., 2016). This strategy may help achieve economies of scale and require less investment than developing different marketing-mixes for different segments – making it especially attractive for SMEs with limited resources (Cannon et al., 2016).

2.3.2. Positioning

Positioning is the process of “identifying, defining, and managing the perception that relevant audiences have of an organization, product, person, or idea” (Zerfass et al., 2016, p.39). In this sense, positioning determines the place the company seeks to occupy in target consumers’ minds, with the objective of maximizing the potential benefits of the brand (Kotler & Keller, 2012). It should be summarized into a value proposition that reflects the brand’s points-of-parity and points-of-difference relative to competitors. Positioning can emphasize unique symbolic aspects (e.g. social status), experiential (e.g. sensory pleasure) or functional ones (e.g. price) (Kalafatis et al., 2000).

From a practical perspective, positioning is essential because if companies do not define their positioning strategy, the market will position the brand by itself and obtained positioning or brand image plays a critical role in consumer purchase decisions. Furthermore, as Knox (2004) note, strong positioning helps clarify the brand’s essence, supports decision-making across the organization, and ensures consistency in strategic direction. More recently, research and practice highlight the importance of clear positioning statements, which specify who the customer is and what problem the firm helps to solve (Agic et al., 2016; Harvard Professional, 2023; HBS Online, 2023). Ultimately, positioning represents the deliberate effort to occupy valuable mental space in consumers’ minds, establishing a sustainable competitive advantage and creating long-term brand value.

2.3.3. Marketing Mix

Traditionally grouped into four dimensions - product, price, promotion, and place, the marketing mix represents the tools through which companies create, communicate, deliver, and exchange offerings that generate value for customers, partners, and society at large (AMA, 2021). Product refers to anything offered to satisfy a need or want, from goods and services to experiences, organizations, or ideas. Price is the compensation for the goods or services exchanged and may be set through value-based strategies (good-value pricing or value-added pricing), cost-based strategies (costs plus margins), or competition-based strategies (considering competitor offers and market dynamics) (Kotler et al., 2024). Other factors such as the overall marketing strategy, market type, macroeconomic conditions, and price elasticity also influence pricing decisions. Place (distribution) concerns the processes that make products available to consumers, often involving intermediaries such as merchants, agents, or facilitators. Channel structures can range from direct systems without intermediaries to complex multi-level systems involving wholesalers and retailers. Distribution requires careful analysis of consumer needs, the setting of channel objectives, the choice between intensive, selective, or exclusive strategies, and ongoing management of channel relationships. Finally, promotion encompasses all communication activities aimed at informing, persuading, and reminding consumers, including message design, creative strategy, source selection, execution, and feedback collection to ensure alignment with brand positioning.

2.3.4. Market Selection

The selection of international markets represents one of the most critical and strategic stages of the internationalization process, as it determines the geographical scope of the company's operations and strongly influences its future performance, risk exposure, and competitiveness (Andersson et al., 2014; Al Qur'an, 2020). Choosing where to compete internationally requires balancing opportunities and risks, aligning the market's potential with the company's resources, objectives, and capabilities.

Scholars generally distinguish between two main approaches when it comes to international market selection (IMS): the systematic (or analytical) approach and the non-systematic (or behavioural) approach. The systematic approach is based on structured and quantitative methods that allow the identification, evaluation, and prioritization of markets using objective indicators such as economic size, growth potential, political stability, or trade openness (Papadopoulos & Denis, 1988; Douglas & Craig, 1983). The main advantage of this

method is its objectivity and replicability, allowing companies to make evidence-based decisions and justify their strategic reasoning.

On the other hand, the non-systematic or behavioural approach highlights the subjective and experiential aspects of the market selection, valuing the role of the manager's intuition, personal experience, and social networks (Ojala & Tyrväinen, 2009). Smaller and less internationalized companies tend to follow this approach due to limited resources and information constraints (Cavusgil & Knight, 2015; Clark et al., 2018).

Based on Aharoni's (1966) model, market selection proceeds in three phases: the creation of ideas about potential markets, the evaluation and investigation of these ideas, and decision-making based on managerial judgment.

One of the most widely recognized behavioural concepts influencing market selection is the differences that exist between the home country and the host country in terms of language, culture, business practices, and economic development. According to the Uppsala Model (Johanson & Vahlne, 1977, 1990), companies typically begin their internationalization by entering closer markets and, as they accumulate empirical knowledge, they progressively expand into more distant markets. This process helps companies to minimize the risk while improving their understanding of foreign environments (Dow, 2000).

More recent perspectives integrate knowledge-based and network-oriented views in market selection. The knowledge-based view claims that companies with extensive international experience and greater learning capabilities are more likely to adopt systematic and research-based selection processes (Grant, 1996; Eriksson et al., 1997). Similarly, Network Theory (Chetty & Agndal, 2007; Puthusserry et al., 2020) highlights the importance of business relationships and alliances in identifying and exploiting international opportunities.

In addition to organizational factors, external environmental variables also play a decisive role in market selection. Political stability, government legislation, trade barriers, and institutional quality influence the attractiveness and feasibility of entering in foreign markets (Cardillo, 1995). Cultural proximity and trust affect not only entry decisions but also post-entry success (Robles, 1994; Shane, 1994).

Lastly, market selection is not a purely analytical decision, but a dynamic and iterative process shaped by internal and external factors. By integrating insights from economic, cultural, and strategic dimensions, companies are better equipped to identify markets that align with their

capabilities, growth ambitions, and long-term goals. In this way, market selection is not just a step in the internationalization process, but rather a strategic decision that determines the company's path, defines its competitive playing field, and influences its overall international performance.

After selecting the market, it is crucial to understand the different strategies firms could use to enter in the selected markets.

2.3.5. Entry Modes

Entry modes are one of the most important decisions in the internationalization process, as they determine how a company's products or resources reach foreign markets. Root (1994) defines an entry mode as the institutional arrangement chosen by an organization to serve international markets. Choosing an appropriate mode of entry requires balancing the company's strategic goals, resources, and willingness to take risks, as well as the level of control that it wishes to have.

A widely accepted classification, proposed by Pan and Tse (2000), distinguishes between non-equity entry modes and equity entry modes. Non-equity entry modes include exports and contractual arrangements, which are characterized by having a lower risk, a lower commitment of resources, and limited control. In contrast, equity entry modes involve a greater commitment through foreign direct investment (FDI), either in the form of joint ventures or fully owned subsidiaries, which provide a greater control and profit potential, but also require a greater investment and carry a higher risk (Agarwal & Ramaswami, 1992 et al). The decision between these alternatives depends not only on the company's characteristics, but also on environmental factors, such as the host country's conditions, the industry's dynamics, the cultural and geographical distance, and the resources available to the company.

Among non-equity modes, exporting is the most common and very often the first step in internationalization. Exporting offers opportunities for companies to increase their sales, to develop economies of scale, and to diversify their risks, but it also brings challenges, such as limited control over marketing, logistical issues, and the need to adapt products to local preferences (Kotabe & Czinkota, 1992). Companies can export directly, using their own distribution channels or foreign distributors, or indirectly, using intermediaries to manage sales abroad. Contractual agreements, including licensing and franchising, represent another group of non-equity strategies. While licensing allows foreign companies to use a company's intellectual property in exchange for royalties, franchising extends an entire business model.

These strategies are attractive for SMEs that wish to expand with limited investment, but they also provide low control and have the risk of creating future competitors (Sharma & Erramilli, 2004).

Equity entry modes may require a greater commitment of resources, but they offer a higher degree of control and potentially higher returns. Joint ventures combine the resources, expertise, and networks of local and foreign partners, helping companies to reduce risk and overcome cultural or regulatory barriers, but they can also generate conflicts and coordination difficulties. Wholly owned subsidiaries, established through acquisitions or greenfield investments, represent the highest level of commitment. Acquisitions allow companies to quickly enter the market and access existing structures, while greenfield investments enable companies to build operations that suit their needs (Barkema & Vermeulen, 1998).

The choice of entry mode is influenced by several determining factors. Market size and growth potential tend to encourage capital-based entry, as larger investments can be justified by long-term returns (Brouthers, 2002). Cultural and geographical distance, on the other hand, can increase uncertainty, leading companies to choose cooperative modes such as joint ventures (Madhok, 1998). Also, high levels of political or economic risk in host countries typically lead companies to adopt less resource-intensive options, such as exporting or licensing (Erramilli & Rao, 1993). Furthermore, the company's specific resources, capabilities, and its international experience are key factors: companies with stronger assets and a greater global knowledge tend to pursue strategies with a higher level of commitment (Agarwal & Ramaswami, 1992).

Johanson & Wiedersheim-Paul (1975) observe that companies usually start with exporting and gradually increase their commitment as they gain experience abroad. For companies with substantial resources, acquisitions or greenfield investments are common paths to achieving a strong market presence and control. According to Forbes (2023), choosing an entry mode requires a balance between speed of expansion, exposure to risk, and the need to adapt to local markets. While smaller companies often resort to exporting or licensing to minimize risk, larger multinationals tend to favour joint ventures or wholly owned subsidiaries in order to guarantee control, build global competitiveness, and ensure long-term strategic positioning.

3. Case Study

3.2. LaPaz

Founded in Portugal, in 2011, LaPaz is a fashion company. deeply inspired by the Atlantic, its people, and its traditions. Since its creation, the brand has been dedicated to capturing the essence of the coastal lifestyle, which is reflected in its collections.

LaPaz combines tradition and modernity and consistently invests in the quality and durability of its products. The brand works very closely with local manufacturers, promoting a sustainable and ethical approach in its production. This connection with local craftsmanship not only reinforces the brand authenticity but also supports the regional economy.

The history and identity of LaPaz are fundamental to understanding its marketing strategy. The brand uses its cultural heritage and commitment to quality as pillars to differentiate itself in a highly competitive sector, building an emotional connection with its customers. LaPaz positions itself as a premium brand, focused on offering timeless pieces that transcend passing trends. The brand stands out for its clean and minimalist aesthetic, which reflects a relaxed and sophisticated lifestyle.

Besides the two founders, this SME counts with eight more professionals, who are responsible for areas, such as logistics, finance, customer service and for managing the online and physical stores.

3.2.1. Characteristics of the Organization

3.2.1.1. International markets

LaPaz 's main markets are the following: the United States (US), the United Kingdom (UK), Switzerland, Belgium, Canada, Italy, the Netherlands, France, and Germany. Spain and Italy have been growing significantly, lately. Together, these ten markets represent 56% of the company's turnover.

3.2.1.2. Competitors

According to LaPaz founders, its competitors are essentially independent labels that are present in the stores where LaPaz also sells its products, such as Kestin (from Scotland), Universal Works and YMC (from England), Portuguese Flannel, +351 and Isto. (from Portugal) and Corridor (from the US). It is important to note, that LaPaz faces similar competitors in the different markets as these brands are usually present at the same fairs as LaPaz and are sold in the same stores.

3.2.1.3. Sales

LaPaz sales were consistently increasing until 2020, when they stagnated due to Covid, with the company achieving a turnover of €1,187,399.40. Then, from 2021 to 2022, sales increased significantly, and the company increased its turnover by approximately 32.4%. However, although 2023 was the year in which LaPaz reached its peak sales, achieving a turnover of €2,118,674.48, the company's sales stagnated, with a growth of only 2.47%, and in 2024, LaPaz 's sales decreased by approximately 5.28% (see Figure 1).

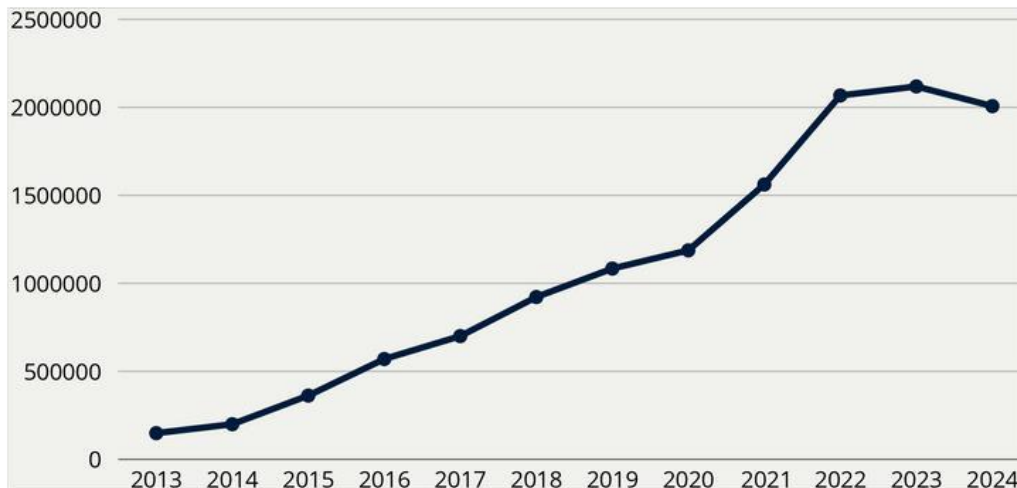


Figure 1: Evolution of LaPaz sales (2013-2024)

3.2.2. Presence in the Domestic Market vs. International Market

Although sales in the domestic market have grown significantly since 2020, LaPaz presence in the international market is considerably larger, with international sales representing 70% of total sales (during this period, exports represented around 80%-85% of total sales).

3.2.3. Market in which LaPaz Operates

3.2.3.1. Current situation and main challenges in the market

Firstly, it is important to note that LaPaz operates in the mid-to-high segment of the fashion industry.

The fashion industry is a multifaceted global sector and one of the most dynamic and influential sectors worldwide, contributing significantly to employment, trade, and cultural exchange (Eliassen et al, 2024). According to McKinsey (2025), the sector faces a period of slow global growth. And while luxury fashion continues to dominate value creation, the non-

luxury segment has recently emerged as the main driver of profit growth. However, persistent inflation, geopolitical instability, and changing consumer preferences, caused by the COVID crisis, the war between Russia and Ukraine and political crises, have intensified competitive pressures and created a more unpredictable market environment.

For LaPaz, the COVID-19 crisis significantly disrupted the market for at least two seasons. First, the pandemic had a major impact on the Japanese market, which was a very important for LaPaz - the brand had 10 stores and a distributor and produced a collection specifically for Japan. The company lost this market as, due to COVID-19, the Japanese government decided to start promoting domestic consumption by setting very high tariffs on foreign products. Later, the Ukraine and Russia war significantly affected the price of raw materials, transportation, fuel, and energy, with the price of energy doubling, leading to a very significant increase in costs. This had a major impact on the final price, affecting sales and causing delays in production. It is important to point out that the industry is still recovering from the crisis caused by the war, as costs remain very high, especially energy costs. Moreover, as the increase in costs is also reflected in the increase in the cost of living of the population, there has also been a decrease in the purchasing power, and consequently the consumption levels have decreased.

The geopolitical and economic instability also contributed to growing pessimism and a decline in consumer confidence indices. The consumption of discretionary items thus ceased to be a priority for consumers and price became a more important factor in decision-making.

3.2.3.2. Impact of these challenges in LaPaz business

Since LaPaz is present in both the mid-range and high-end segments of the fashion industry, the company was able to maintain relatively similar turnover levels despite the market being stagnant. Indeed, customers, who may have previously purchased more expensive brands are now choosing to buy LaPaz due to their reduced purchasing power. As LaPaz offers quality clothing and accessories at relatively competitive prices, both consumers with higher budgets and those with average budgets can purchase its products.

Although the tariffs imposed by Donald Trump's government did not have a major impact on the brand's revenue, at first, they contributed to increasing perceptions of uncertainty and, hence, had a negative influence on LaPaz independent store's customers buying behaviour.

In order to overcome these challenges, LaPaz decided to invest in the design of a more effective website and in the development of new strategies to more effectively reach its business

customers and final consumers. To increase its reach, LaPaz is investing in online and social media communication. The company is also dedicating more resources to the management of customer relationships and to market research to better understand customer needs and identify interesting potential customers. In addition, to overcome perceptions of uncertainty, LaPaz offers its customers a greater flexibility regarding product exchanges and invests in free stock to ensure an appropriate fulfilment of customers' request during peak sales times. Furthermore, LaPaz tries to raise prices as little as possible, without affecting the minimum margin the brand needs to maintain to ensure its financial sustainability.

3.2.4. International Strategy

Since the beginning, LaPaz's main objective has been the internationalization of its business, which is why this SME immediately began to target foreign markets.

Initially, LaPaz sought to identify which were the relevant international fashion fairs within the brand's market segment, the medium-high segment. And the brand's internationalization process started with its presence at these fairs. The first fashion fair LaPaz participated in was in NY, followed by fairs in Paris and London. In its first year, LaPaz managed to attract ten customers (independent stores with high-quality brands). At that time, LaPaz had already secured two customers in Brooklyn, as well as others in London, Barcelona and Japan.

The first collection created by LaPaz was the 2012/2013 winter collection and this collection targeted international markets. It was only in 2014 that LaPaz opened its first store in Porto, in Ribeira, and its online store, starting to also sell to the Portuguese market.

3.2.4.1. Adaptative vs standardized international strategy

LaPaz adopts a standardized internationalization strategy, as the brand founders believe that it is the most efficient and effective way to serve different markets. Additionally, they consider that, in the markets served by the brand, consumer preferences tend to be quite similar, regardless of their country of origin. Furthermore, by following the same marketing mix strategy in its different geographical markets, this SME can focus on taking the necessary measures to ensure the high quality of its products and guarantee it grows in a sustainable way.

3.2.5. International Marketing

3.2.5.1. Segmentation, targeting and positioning

Segmentation and targeting

Regarding demographic segmentation, LaPaz does not segment the market according to biological sex or to age. Indeed, although the brand is known as a men's clothing label, it wants to be perceived as a “universal brand” and ensure its pieces can be worn by anyone, whether male or female, of any age, “from 12-year-olds to 80/90-year-olds”. And even though LaPaz does not design products exclusively for women, given the versatility of its products, there are women's stores that offer LaPaz products. Income is a relevant demographic segmentation variable, as it conditions consumer fashion buying behaviour, and LaPaz offers premium fashion for mid-to-high end fashion consumers.

Regarding geographic segmentation, LaPaz segments the market by countries and then by cities and seeks to identify which countries and cities/regions within the country have the greatest growth potential for the brand, selecting these markets as its targets.

Concerning psychographic segmentation, LaPaz aims to target fashion-oriented consumers, who are interested in fashion and design and are brand-conscious but also tend to have a more ecological lifestyle and value sustainability. Finally, regarding behavioural segmentation, LaPaz does not segment the market by occasion, as the brand managers want its products to be suitable for different occasions. Moreover, with regard to benefit segmentation, LaPaz’s consumers are looking for classic, timeless, versatile products with a minimalist design and made from high-quality materials.

In the B2B market, LaPaz targets mainly independent stores, belonging to the mid-to-high segment of the fashion industry. Indeed, 80% of LaPaz’s business customers are independent stores. The main customers of LaPaz are John Lewis department store, which covers different regions in the UK, and the Huckberry store in New York (NY). This SME avoids working with very large retailers, as this could negatively affect brand image. Furthermore, large independent stores place very large orders, and LaPaz business model does not allow it to supply large volumes, and this could negatively affect the brand sustainable growth strategy.

It is also important to highlight that, before starting to work with a new fashion retailer, LaPaz always seeks to understand from customers in that market, whether it makes sense to sell

the brand in this new customer. This happens because LaPaz aims to develop close, long-term relationships with its customers and values customer loyalty.

LaPaz target customers can differ widely from country to country, and even within the same country. In England, for example, LaPaz's target customers vary from city to city and even within a city. In London, for example, LaPaz can be found in streetwear stores that target a younger, more informal audience, alongside with brands such as Stussy, Deus or Carhartt, but also in more classic stores, like the Number Six men's concept store. In more traditional cities, as Edinburgh, LaPaz is mainly found in more classic stores which offer a selection of classic and contemporary products (e.g., LaPaz linen shirts), like Frontiers, alongside brands such as Barbour or APC. In Madrid, LaPaz has different types of customers and is present in both more classic stores and streetwear stores. However, in its markets, LaPaz's customers tend to strongly identify with brand narrative and what the brand stands for.

Positioning

With regard to its positioning strategy, LaPaz aims to be associated with high quality and durability (enhanced by the country-of-origin effect). It also wants to be known as a timeless and contemporary brand, and not as brand that follows trends. LaPaz also intends to be associated with versatility, i.e., to be perceived as a transversal brand that can be used by anyone on any occasion. Hence, the brand always uses models from different age groups, from teenagers to people in their 70s.

In addition, LaPaz also aims to establish a close link to the sea, which can be problematic. Indeed, although LaPaz offers a wide range of products, many high-quality stores, due to the brand association with the sea, end up specially purchasing its products in the summer, and ordering only lighter items (e.g., t-shirts or summer shirts). Thus, products designed for the autumn/winter season, are not purchased as much by these relevant customers. Therefore, in recent years, the brand has attempted to show that it owns other relevant associations besides the ocean. For example, in some of its communications, LaPaz highlights brand ruggedness by showing that its pieces are made from robust materials and suitable to the winter.

It is also worth noting that the brand image in the different markets where LaPaz is present is quite strong and favourable. However, the brand managers believe that, to expand the brand reach and ensure it is known by more target consumers, there is still “a lot of work to be

done”. To enhance brand awareness, LaPaz seeks to constantly innovate and to offer new products and models every season, although it will continue to offer its iconic, classic models.

3.2.5.2. Marketing mix

Products

LaPaz has a wide product assortment, including t-shirts, sweatshirts, knitwear (jumpers and cardigans), shirts, pants, jackets and coats, as well as scarfs and other accessories. LaPaz's best-selling products are: (1) t-shirts; (2) sweatshirts and (3) shirts (see Figure 2). LaPaz's most successful product is the CUNHA model (see Figure 3).



Figure 2- Example of LaPaz products



Figure 3: Example of different versions of the Cunha Model Sweatshirt

The brand products have a very recognizable and distinctive design, and they are always made of high-quality and environmentally friendly materials that increase durability and sustainability. All products are “100% made in Portugal”, which is very important, given the country’s favourable reputation in the fashion industry.

LaPaz has collaborated with other Portuguese brands in the development of unique pieces, as can be illustrated by the recent co-branding with Portuguese Flannel (see Figure 4). These co-brandings help LaPaz reach new segments, enhance brand awareness and brand image.



Figure 4- Collaboration between LaPaz and Portuguese Flannel

It is also relevant to mention that the collection and sizes offered by LaPaz are the same for all markets. Nevertheless, the assortment of products offered in each geographical market may change, depending on the season the market is going through, on the climate and the target audience. The product attributes that customers value may differ from market to market: whereas in more conservative markets, customers value quality and the material of the clothes above everything else, in more modern and younger markets, customers tend to value more design.

Prices

The price base for LaPaz products is the same in all markets. However, there may be a variation in the final price due to taxes and fees. Nevertheless, the profit margin that LaPaz receives is always the same, therefore, the fluctuations in the final price are caused by external factors linked with the economy of the different markets served by the brand.

The prices of LaPaz products can go from 30 to 405 euros, with tote bags being the cheapest items in the collection and coats the most expensive ones.

As previously explained, the recent crises have had a major impact on LaPaz's operating costs and, consequently, on the company's business. However, LaPaz seeks to increase its prices as little as possible, without affecting the minimum margin the brand needs to maintain to ensure its financial sustainability.

Distribution/Place

In relation to LaPaz's distribution strategy, this SME not only sells its products directly to buyers and final consumers but also involves intermediaries to ensure an appropriate coverage of the international target markets. The brand products are mainly sold through carefully chosen physical retailers, such as multi-label independent stores who have the

necessary marketing competencies to sell LaPaz products, whose image is consistent with the desired brand image and who serve the target final consumers.

In the case of the retailers, LaPaz presents and sells its products to buyers mainly through its presence in international fashion fairs. LaPaz independent store's customers send their orders to the brand a few days after the fair specifying the desired products and quantities. However, there are also some independent stores with high potential for LaPaz that do not participate in fairs and are directly contacted by the company.

LaPaz also uses agents that represent the brand in international markets, help it find and contact business customers, present the brand products and negotiate selling conditions. Agents use their showrooms to present LaPaz products to target retailers, thereby attracting relevant international customers for LaPaz.

Moreover, LaPaz also sells its products directly to final consumers through their own distribution channel, namely, through LaPaz's own stores and online store. The online store is an efficient and effective channel that allows the brand to sell directly to already loyal customers, to consumers who are familiarized with the brand or who get to know it through exposure to brand communication or word-of-mouth. The brand own stores represent a high investment in terms of distribution, but they are relevant for allowing customers a direct contact with the products, for the building of brand awareness and of a strong, favourable and unique brand image.

Therefore, LaPaz's distribution strategy not only includes direct channels, but also indirect channels, with one level of intermediaries - fashion retailers, or two levels of intermediaries- agents and retailers. In the case of retailers, the company follows a selective distribution strategy, as its products are only sold through a low number of carefully selected retailers.

Promotion

LaPaz promotes its brand and products through international fashion magazines, press releases, Google Ads, and social media, such as Instagram and, more recently, TikTok. LaPaz's main communication investment is on Google Ads (see Figure 5) and on Instagram, where the brand uses different types of content (see Figures 6 to 9).

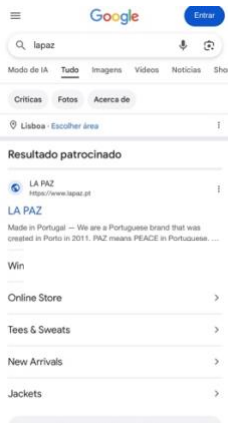


Figure 5: LaPaz Google Ads

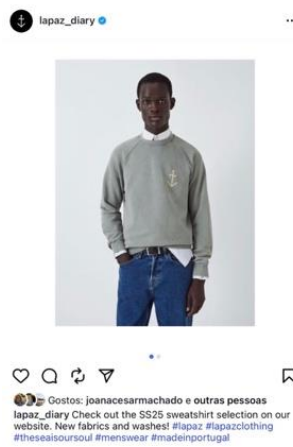


Figure 6: Example of LaPaz informative post



Figure 7: Posts showing the versatility of LaPaz



Figure 8: Artistic posts related to the ocean

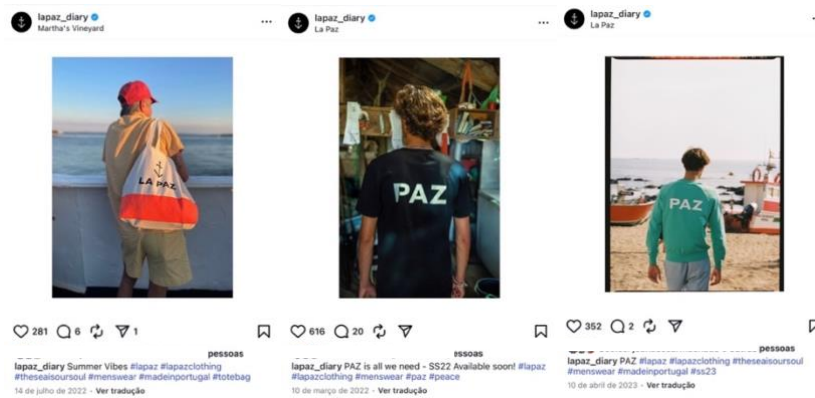


Figure 9: LaPaz promoting a lifestyle related to the sea

Occasionally, LaPaz also invests in print advertising in high-quality fashion and lifestyle magazines, such as *L'Étiquette*, *L'Officiel*, *Monocle*, and the *Financial Times*, with the aim of building brand awareness and a strong and favourable brand image among international target markets. The brand also tries to ensure the publication of articles about the brand in these magazines, thereby stimulating publicity (see Figure 10).

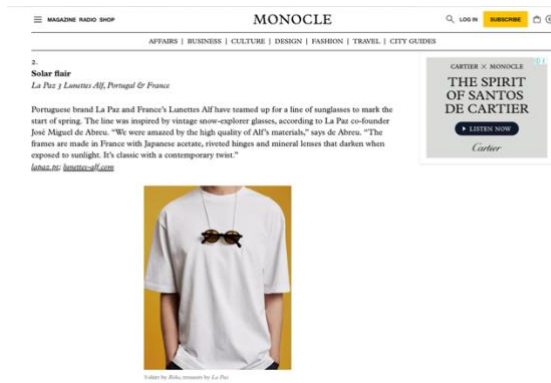


Figure 10: Articles about LaPaz

It is also important to note that LaPaz does not usually use endorsers - influencers or well-known celebrities - in its communication. However, if there is a personality with whom LaPaz strongly identifies, the brand typically offers this person a few items so that she/he will promote the brand among friends and followers (e.g., Joana Schenker, a famous Portuguese Bodyboarder and the musician Deven Drabanhart) (see Figure 11).

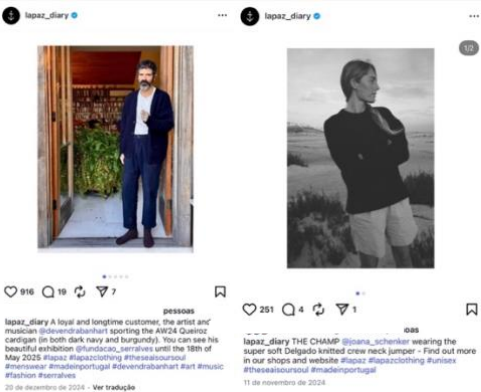


Figure 11: Posts of famous people wearing LaPaz

In addition, LaPaz also communicates through its collaborations with artists who align with the brand's values and identity. The most recent collaboration was between LaPaz and the Portuguese band GNR - LaPaz developed a limited-edition collection that was sold at the band's concerts (see Figure 12).

LaPaz's communication strategy is quite consistent across all international markets.

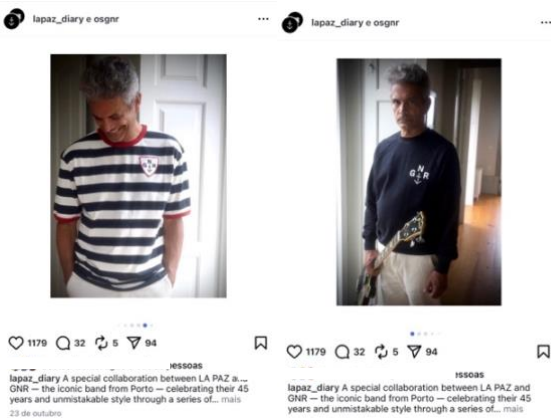


Figure 12:LaPaz collaboration with GNR

3.2.5.3. Market selection

As for the market selection strategy, LaPaz identifies which markets offer the greatest growth potential for the company. Consequently, LaPaz has selected the European market, with Paris and London as the main targets, the Japanese market, and the US market, with a special focus in NY. In the map bellow it is possible to see the markets where LaPaz sells its products (see Figure 13).



Figure 13: Markets where LaPaz is present

In order to identify other potentially interesting international markets, LaPaz has been doing a significant investment in research to identify stores in regions that are not being served yet and that may also have a relevant potential and allow the brand to reach new international consumers.

3.2.5.4. Entry modes

LaPaz enters markets mainly through exportation, trying to attract business customers through fashion fairs, and agents. This SME always follows the same strategies regardless of the international market.

LaPaz usually collaborates with agents who typically also represent other brands that are consistent with the brand concept. LaPaz sells its products through agents mainly in the markets of southern Italy, Benelux, UK and Spain.

LaPaz also seeks to target international markets through its presence at fairs. Indeed, the company managers consider that this is a much easier and faster way to reach buyers, contributing to a greater brand exposure and higher volume of sales. In the beginning, LaPaz researched which were the most relevant fairs for its chosen fashion segment. This was very important because there are very large trade shows that target more massive fashion markets, a segment which LaPaz does not aim to serve.

The first fashion fairs LaPaz participated in were in Paris and NY. Later, this SME participated in London at the Jackerequired fair. LaPaz was invited to participate in this fair by its creators, who strongly believed in the brand's potential. Later, LaPaz also started participating in relevant fashion fairs in Berlin, such as Bread & Butter. The fairs are very important because, as LaPaz has significantly invested in offering high quality products with the best materials, the brand managers believe that it is essential that customers have the possibility to feel the clothes and understand their quality.

There are independent stores with high potential for LaPaz that do not participate in fairs and buy directly from brands. In this case, LaPaz sends these stores carefully designed lookbooks so that the store managers can see its product portfolio in detail. Another strategy used by LaPaz managers to reach these stores is to visit them in person when traveling and present the brand and what it stands for. In addition, LaPaz also investigates which cities and stores they would like to be present in and purposely travels to these locations to approach the target stores.

It is also important to highlight that the support that LaPaz received from QREN and Portugal 2020 has enabled a greater investment in market prospecting and international projects. Thus, LaPaz has been able to participate in more fairs beyond those in Paris, NY, and London, and they also began to participate in a fashion fair in Berlin and two in Japan. This support also allowed LaPaz to undertake more market prospecting trips.

3.2.6. Initial Investments Required for LaPaz's Internationalization Strategy.

One of the main challenges faced by LaPaz in developing an internationalization strategy from the beginning was the high initial investment costs associated with the fairs (including the fair fees and travel expenses), stocks, raw materials, and the first productions, which contributed to difficulties in working capital management. In the beginning, LaPaz received orders, produced items and paid for production, and customers only paid for the orders about 30-60 days upon receiving them. As the brand grew, managing the working capital became even more difficult. Indeed, with the increase in orders, LaPaz needed more working capital for the periods between production and customer payment.

3.2.7. Impact that having a Strategy of Internationalization from the Beginning had on the Company's Success

Firstly, following an internationalization strategy from the beginning was very important for scale reasons. Indeed, the Portuguese market is quite small and there is a very limited number of outlets where LaPaz could sell its products. The dimension and growth potential of the Portuguese market would significantly limit the ability of this SME to grow. Therefore, the fact that LaPaz immediately focused on fashion fairs in very large markets gave the company scale from the very beginning and a strong chance of growth. Due to the brand's early presence in international fashion fairs, the fashion world soon started talking about LaPaz and creating a favourable buzz around the brand.

In addition, LaPaz believes that when companies start to be successful abroad, in highly demanding and competitive markets, it is always easier to recreate the successful business model internally than when the opposite happens.

Furthermore, the general public in the Portuguese market has a low purchasing power compared to other markets where LaPaz operates, and the critical mass is also very small, given that the number of independent stores in Portugal that meet the quality standards LaPaz seeks in its customers is still very low. Thus, operating in the global market from the beginning enabled LaPaz to grow more quickly and efficiently.

It is also relevant to highlight that the investment LaPaz needed to make to participate in fashion fairs and travel to enter international markets is similar to the investment the company would need to make to open its own stores in the Portuguese market. Therefore, this decision was also a decision related with the management of limited resources. Since LaPaz did not have many resources in the early stages, the founders had to decide what would be more

advantageous: going immediately abroad to find interesting potential customers or opening stores in Portugal. They realized it would be better to first invest in the internationalization of the brand.

Moreover, entering the international market right from the beginning made the process of entering later in the national market much easier for LaPaz. In Portugal, LaPaz started by selling in two or three independent stores and then the brand opened its first store.

3.2.8. Goals for the Future

In the future, LaPaz intends to invest in its own international retail business, with the aim of opening its own stores outside the country, in strategic locations such as Spain, more specifically Santander or Madrid. In the case of Madrid, this will be likely done together with a partner, because of the investment required to open a store in Madrid's high-end fashion district.

This SME also plans to enter the Asian market, namely Japan and South Korea, since the company's business in these countries is currently practically non-existent and these are very relevant target markets with a significant number of fashion-conscious consumers.

LaPaz also aims to make a greater investment in the US market. Indeed, although this is already a strong market for the company, LaPaz's customers in this market are very dispersed, and there are still several relevant regions and customer segments to explore. Hence, LaPaz seeks to strengthen its position in the US market by entering, for example, the Californian market

The company also intends to open pop-up stores for two to three months in cities such as London, NY, and Paris. These pop-up stores would mainly serve to further test these markets before opening own stores. Since these cities provide greater exposure for the brand, if the pop-up stores are successful, it will be easier for LaPaz to eventually open stores in other markets or cities.

4. Teaching Notes

4.2. Synopsis

LaPaz is a Portuguese menswear brand founded in Porto in 2011. It operates in the mid-to-high segment of the fashion industry and stands out for blending traditional Portuguese craftsmanship with a contemporary design inspired by the cultural and natural elements of the Atlantic coast. From the beginning, LaPaz has pursued an international focus, fitting the profile of a Born Global company. In its early years, the brand began participating in international fashion fairs in cities such as NY, Paris, and London, which allowed it to attract independent stores in several countries on different continents.

By adopting a standardized international strategy, LaPaz offers a consistent approach when it comes to products, prices, and communication across all markets.

LaPaz collections are defined by their timeless, versatile, and minimalist design, prioritizing durable, high-quality materials, entirely produced and manufactured in Portugal, which reinforces the value of the “Made in Portugal” label.

Regarding LaPaz's main customers, they are independent fashion retailers who value authenticity, sustainability, and a compelling brand narrative. The company has built strong relationships with these retailers, enabling a sustained international growth despite external challenges such as the COVID-19 pandemic and geopolitical instability, as the war between Ukraine and Russia, which contributed to increased costs. LaPaz mitigated these challenges by adopting a flexible approach to market communication, emphasizing brand identity and customer proximity, while preserving its long-term vision of sustainable and continuous expansion.

4.3. Goals

This case study offers students the opportunity to analyse the internationalization process of an SME, focusing on LaPaz's initial global expansion in the fashion industry. Designed exclusively for instructor use, the case supports classroom discussion, allowing students to apply theoretical concepts to a real strategic context. Through the analysis of LaPaz's development, the case illustrates how an SME develops an internationalization strategy from the beginning and highlights the motivations, decisions, and challenges associated with expanding into multiple markets. It integrates concepts such as Born Global companies, standardization versus adaptation, market selection, entry modes, segmentation, targeting,

positioning, and marketing mix, encouraging students to relate theory to real-world management choices.

The case is suitable for undergraduate and master's courses in international management, strategy, and international marketing. It may be more effective if students are already familiar with the main theoretical frameworks, and it is recommended that the case be distributed at the end of the class so that students can prepare for the discussion. This case can be used by instructors for group work, classroom debates, or individual assignments, promoting interpretation, comparison of perspectives, and critical evaluation of LaPaz's strategy.

By working through the case, students should be able to achieve the following learning objectives:

- Understand the motivations behind LaPaz's early internationalization;
- Analyse the company's development as a Born Global firm;
- Evaluate the factors influencing market selection;
- Assess the entry modes adopted and their relevance for the firm's internationalization process;
- Analyse LaPaz's standardized international strategy;
- Analyse LaPaz's segmentation, targeting, and positioning decisions as well as the firm's international marketing mix;
- Explore opportunities for future international growth and propose recommendations to strengthen its market presence.

This case study about LaPaz's internationalization strategy may help students to bridge the gap between theory and practice, to develop analytical skills, and to understand the strategic complexities of a SME internationalization strategy.

This Teaching Note is intended for instructor use only.

4.4. Questions

Question 1: What are LaPaz main characteristics that prove that the company is a Born Global Firm?

LaPaz exhibits several empirical characteristics that demonstrate it was created and developed as a Born Global firm. From its foundation in 2011, the company's main objective has been the internationalization of its business. Pursuing, in that way, an international orientation, deliberately targeting foreign markets and participating in relevant international fashion fairs as a primary route to export to international markets rather than waiting to consolidate domestically.

Furthermore, during recent years international sales have accounted for around 70% of total sales and historically have reached levels between 80%-85%, confirming that foreign markets are the core of the company's revenue base.

It is also important to mention that LaPaz sees the world as a single market, where borders are not that relevant and competition is global rather than local, where its competitors are essentially independent labels from different places around the world, such as Kestin (from Scotland), Universal Works and YMC (from England), Portuguese Flannel, +351 and Isto. (from Portugal) and Corridor (from the US).

LaPaz's competitive horizon is clearly global: the founders consciously position the brand alongside independent international labels present in the same stores and fairs, and the firm's marketing mix has been conceived to serve a cross-border clientele with similar tastes and expectations. Operationally, LaPaz relies on intangible resources and relational capabilities to internationalize: the firm invests in market research to identify high-potential independent stores, uses fairs as a channel to meet buyers, builds long-term relationships with retailers and works with agents where appropriate; when stores do not attend fairs the brand sends carefully designed lookbooks and the founders travel to present the collection in person.

These network-based activities, together with a brand identity that emphasises quality, timelessness and "Made in Portugal" authenticity, allowed LaPaz to overcome the typical resource constraints of a young SME and to develop an immediate and sustained international presence, which is precisely the pattern observed in Born Global firms.

Question 2: What was the impact of having an internationalization strategy since the beginning (referring the main advantages and disadvantages) for the organization performance?

Adopting an internationalization strategy from start had a decisive impact on LaPaz's performance.

Regarding relevant advantages, going abroad from day one created the scale and exposure that the small Portuguese market could not offer, enabling faster growth, higher revenues and strong brand recognition in demanding fashion markets. Furthermore, the early presence in major fairs and in cities such as NY, Paris and London generated critical word-of-mouth and favourable visibility that later facilitated domestic expansion, and the international focus allowed the firm to diversify demand across several countries, reducing dependence on a single market and exploiting a larger base of premium and mid-high consumers.

This strategic choice was also appropriate from a resource-allocation perspective. The case shows that the initial investments required to participate in key fairs and to travel for market prospecting were comparable to the investments that would have been needed to open retail stores domestically. Thus, the founders considered that exports and fair participation would be a better use of scarce resources to achieve higher potential demand abroad.

However, the early internationalisation created also important disadvantages and risks. The firm faced meaningful working capital pressures in the initial collections because production had to be financed months before buyers paid (payments typically arrive 30–60 days after delivery), and fair fees, travel, stock and raw-material costs strained liquidity as orders and production scaled up. Dependence on foreign markets also made the company sensitive to external shocks: the COVID-19 crisis led to the loss of traction in Japan and trade and tariff uncertainties in other geographies temporarily reduced orders, while geopolitical events and rising energy costs increased production and logistics expenses and compressed margins.

In practice, LaPaz's performance trajectory thus combined the benefits of rapid revenue growth and brand building abroad with the managerial challenges of financing growth, managing cross-border operations and cushioning the firm against market shocks. Overall, the international strategy delivered stronger growth and reputation than a domestic-first path would likely have achieved, but it also required careful working-capital management and adaptive commercial practices to mitigate the heightened exposure to global volatility.

Question 3: Describe and evaluate LaPaz internationalization strategy, entry modes and market selection strategy, and explain how internationalization theories can be applied to this case.

Standardized Strategy

LaPaz's internationalization strategy is coherent, pragmatic and closely aligned with the firm's resources, identity and long-term objectives.

The company adopts a largely standardised approach to product, pricing and communication, offering the same collections and price base across markets while adjusting assortment by climate and seasonal demand where necessary. This consistency supports a clear and recognisable brand image, timeless, versatile and rooted in Portuguese craftsmanship, and allows LaPaz to focus on ensuring the high quality of its products, brand exclusivity and global consistency. It also contributes to a cost reduction, simpler coordination, and higher brand equity through consistent global positioning.

However, international marketing environments are by nature more complex than domestic ones because they involve multiple sets of uncontrollable variables, including relevant differences in consumer tastes, unique cultures, political systems, and regulatory frameworks, each of which can render a standardized strategy ineffective if not carefully addressed. Furthermore, over-reliance on standardization can reduce the ability to respond and increase the risk of market failure.

Market Selection

Regarding market selection, LaPaz follows the non-systematic (or behavioural) approach, as the company identifies which markets offer it the greatest growth potential. This approach highlights the subjective and experiential aspects of the market selection, valuing the role of the manager's intuition, personal experience, and social networks. Smaller and less internationalized companies tend to follow this approach due to limited resources and information constraints.

According to the Uppsala Model, companies typically begin their internationalization by entering closer markets and, as they accumulate empirical knowledge and reduce uncertainty, they progressively expand into more distant markets. Initially, LaPaz has selected the European market, with Paris and London as its main targets. Then when the company was already established in these markets, they decided to define as targets the Japanese market, and the US market, with a special focus in NY. This process helps companies to minimize the risk while improving their understanding of foreign environments.

This selection process relies on trade fair attendance, market prospecting trips and the mapping of independent retailers whose profile matches the brand, and it reflects a deliberate balance between opportunity and feasibility.

Entry Modes

Regarding entry modes, LaPaz predominantly uses non-equity strategies, through exportation.

Companies can export directly, using their own distribution channels or foreign distributors, or indirectly, using intermediaries to manage sales abroad. In the case of LaPaz, they use both, as the firm exports its collections directly to independent retailers secured through fairs and sells via intermediaries, namely agents, in selected territories. In the case of the direct exportation, it is relevant to know that there are independent stores with high potential for LaPaz that do not participate in fairs and buy directly from brands. In this case, LaPaz sends these stores carefully designed lookbooks or visits these stores in person when traveling (market prospecting).

Exporting is the most common and very often the first step in internationalization, especially for companies with limited international experience. It offers opportunities for companies to increase their sales, to develop economies of scale, and to diversify their risks. It also minimises upfront investment and operational complexity while enabling rapid geographic coverage, and the company has made pragmatic use of public support programmes to finance market prospecting and fair participation. However, exporting brings challenges, such as limited control over marketing, logistical issues, and the need to adapt products to local preferences.

The firm's long-term plans, however, anticipate a gradual move towards equity entry modes, such as open pop-up shops to test cities such as London, NY and Paris and, eventually, own stores in targeted locations, once market knowledge, scale and resources make such investments viable. This other type of entry mode offers a higher degree of control and potentially higher returns.

Evaluated holistically, the strategy combines the benefits of a consistent global brand with the flexibility of export-based entry, leveraging relational networks to overcome size constraints while preserving the option to increase commitment as the firm grows. This approach has given LaPaz international recognition, diversified revenue streams and operational learning, while

keeping the firm exposed to the managerial burdens and financial cycles that come with export expansion and a heavy reliance on foreign demand.

Question 4: Describe LaPaz international marketing strategies.

Segmentation and targeting

LaPaz segmentation strategy is very important as it provides strategic value by enabling this SME to better target customers, allocate resources, differentiate activities, and strengthen brand positioning at an international and national level.

Given that LaPaz operates in B2C markets, segmentation frequently relies on demographic, geographic, psychographic and behavioural variables. LaPaz applies different segmentation criteria simultaneously. At the demographic level, income plays an important role, as the brand products are positioned in the mid-high fashion segment and, therefore, aims to attract consumers with a higher purchasing power. In terms of geographic segmentation, LaPaz seeks to identify markets that offer the greatest growth potential for the brand, particularly those with a consolidated culture of independent retail and audiences who value high-quality garments. Psychographic segmentation is also relevant, particularly lifestyle and values, as LaPaz focuses on fashion-conscious consumers who value sustainability and prioritise authenticity and timelessness over rapidly changing trends. Finally, in relation to behavioural segmentation, benefit and loyalty are particularly important segmentation variables. LaPaz's aims to serve customers who look for classic, versatile products with a minimalist design and made from high-quality materials. Moreover, this SME wants to serve brand loyal customers.

LaPaz follows a standardized international strategy, and its customer profiles tend to be relatively similar across the different markets in which the brand is present. Hence, it is possible to observe the use of a global segmentation approach and a combined target market approach. Indeed, the company targets a few submarkets and combines them into one larger market served through the same marketing mix. LaPaz aims to reach a clearly defined international segment formed by fashion consumers whose preferences align with the brand's identity and value proposition.

In the B2B market, LaPaz segments the market according to geographic factors - such as the country where business customers operate, and demographics - industry and size, but also based on situational factors - size of the orders, and relational ones - customer loyalty and similarity between the customer's and LaPaz brand image, and targets mainly small

independent concept stores, belonging to the mid-to-high segment of the fashion industry, that make smaller orders, have a premium and sustainable image and are interested in building long-term, loyal relationships with carefully selected suppliers, in the US, the UK, Switzerland, Belgium, Canada, Italy, the Netherlands, France, Germany and Spain.

Positioning

From a functional perspective, LaPaz seeks to be associated with high quality and durability, supported by the fact that all its products are made in Portugal using carefully selected materials. The brand positions itself as timeless and contemporary. Indeed, LaPaz focuses on offering products that remain relevant across seasons, reinforcing the brand's commitment to sustainability. Versatility is another element in the brand positioning: LaPaz wants to be perceived as a transversal brand, whose garments can be worn by different types of consumers, in different contexts.

Symbolically, LaPaz is strongly linked to the sea, summer and Portuguese coastal culture, which contributes to an emotional and authentic brand narrative. More recently, LaPaz has sought to complement this imagery by reinforcing a "tougher" side of the brand and highlighting pieces made from more robust, winter-oriented materials.

To sustain brand awareness, LaPaz introduces new models each season while maintaining a core set of classic pieces. This balance between innovation and continuity strengthens the brand's positioning, ensuring that it remains relevant without compromising its timeless identity.

Marketing Mix

Product

LaPaz offers a broad assortment that includes t-shirts, sweatshirts, knitwear, shirts, trousers, jackets, coats and accessories. The collections are characterised by a timeless and versatile design, supported by high-quality materials and a clear aesthetic identity. Quality is central to the product strategy: the company invests heavily in researching sustainable materials and ensuring durability. While the core collection is consistent across markets, the assortment purchased by retailers may differ according to local climate, seasonality and consumer preferences.

Price

LaPaz adopts a value-based pricing strategy consistent with its positioning in the mid-to-high segment of the fashion industry. As the brand seeks to be associated with high quality and durability, prices are defined to reflect the value delivered to consumers.

The price base for all LaPaz products is the same in every market, however, the final retail price may differ depending on taxes, import duties and other market-specific economic factors. These variations are therefore external and not the result of strategic price differentiation. Although recent crises have significantly increased its production and operational costs, LaPaz seeks to increase its prices as little as possible, while maintaining the minimum margin that ensures its financial sustainability.

Place

LaPaz combines direct and indirect channels to reach its international markets. Most of its sales are made through carefully selected independent retailers whose image and customer base are aligned with the brand. These partnerships are mainly established through international fashion fairs, where LaPaz presents its collections. When high-potential stores do not attend fairs, the brand contacts them directly.

To enhance its international reach, LaPaz also works with agents who represent the brand in specific markets, use their showrooms to present the collections and support the negotiation and selection of suitable retailers. In addition to using retailers, the company sells directly to final consumers through its own physical stores and online store. E-commerce allows LaPaz to reach loyal and brand-aware consumers worldwide, while its own stores reinforce brand awareness and helps the company to build a strong, favourable and unique brand image.

Promotion

LaPaz communicates through fashion magazines, press exposure, digital advertising and social media. Instagram is the company's main communication platform, where it presents product-focused posts, showcases the versatility of its garments and reinforces its strong connection to the ocean through imagery and storytelling. The brand also appears in international publications, which help build brand awareness and support its premium positioning. LaPaz rarely uses influencers or celebrities but occasionally collaborates with personalities with whom the brand strongly identifies. Across markets, the communication

approach remains consistent, aiming to inform, persuade and remind consumers while maintaining coherence with the brand's values and identity.

Question 5: How effectively does LaPaz's internationalization strategy align with its future expansion goals?

LaPaz's future goals include investing in its own retail business, opening pop-up stores in cities such as London or Paris to test these markets before opening LaPaz-owned stores, strengthening its presence in the US market, and entering the Asian market, particularly Japan and South Korea. To evaluate how effectively LaPaz's current internationalisation strategy aligns with these objectives, it is important to analyse the company's standardized strategy, its market selection practices, its choice of entry modes and marketing strategy.

LaPaz's standardized strategy fits particularly well with all its expansion goals, as it allows the company to maintain a clear and recognisable brand image that is timeless, versatile, and strongly rooted in Portuguese craftsmanship. This approach helps ensure global consistency, product quality, and brand exclusivity, while also enabling cost reduction and simpler coordination across markets. Therefore, continuing with a standardized strategy would support the company's future growth in both existing and new markets.

Regarding market selection, LaPaz can continue applying the same approach for its goal of further expanding in the US market, as this involves researching and identifying potential buyers in new regions where the brand wishes to grow. However, to achieve the goals related to opening its own stores and pop-up stores, LaPaz would need to conduct more extensive research to identify the specific locations with the greatest potential for establishing these physical spaces.

In terms of entry modes, LaPaz can maintain its current approach for the goal of expanding in the US market, namely entering through exportation by selling to independent stores and through agents, relying on non-equity entry modes. However, for the goals of opening pop-up stores and LaPaz-owned stores, the company would need to complement its current approach with equity entry modes. These would include establishing owned subsidiaries or, when appropriate, joint ventures, particularly in markets where the required investment is higher, such as Madrid. Although these modes imply a greater commitment of resources, they allow for higher control and potentially higher returns. Joint ventures help reduce risk and

overcome cultural or regulatory barriers, although they can generate coordination challenges, while owned subsidiaries, either through acquisitions or greenfield investments, represent the highest level of commitment and are typically necessary when the company aims for long-term market presence.

Finally, regarding the goal of entering the Asian market, LaPaz has already followed its usual market selection strategy, which enabled the company to identify Japan and South Korea as the markets with the highest potential. For entry modes, LaPaz would again use its traditional approach; however, in the specific case of South Korea—where the brand is not currently present—a larger investment in research would be required to identify high-potential buyers, relevant fairs, and potential agents.

From a marketing strategy perspective, LaPaz can adopt the same segmentation, targeting and positioning strategies to accomplish its future goals. However, within the marketing mix, achieving the objectives of opening pop-up or owned stores abroad would require adjustments in the distribution strategy, since the company would begin selling directly to final customers in additional international markets.

Conclusion

In this study, we explored how having an internationalization strategy since the very beginning can influence the success of SMEs. To address this objective, we have done an in-depth analysis of the literature and a case study of LaPaz. This company is an example of a SME that has successfully positioned itself in the global market since its inception. Since its launch, LaPaz has been able to establish itself in external markets and achieve significant international recognition while also increasing its presence in the Portuguese market. By combining tradition and modernity, the brand has developed a strong and coherent identity, supported by close collaboration with local manufacturers and a clear commitment to quality and sustainability. The “100% made in Portugal” positioning played an important role in reinforcing brand authenticity and customer trust.

LaPaz’s early and deliberate international focus was supported by continuous investment in market research, which enabled the company to identify markets with higher growth potential and select appropriate entry strategies. The adoption of a largely standardized international strategy proved to be particularly effective, allowing the brand to maintain a consistent identity across markets, reduce operational complexity, and achieve efficiencies that are especially important for resource-constrained SMEs. This approach is closely aligned with LaPaz’s international marketing strategy, which targets similar consumer segments across countries through consistent positioning and a standardized marketing mix.

Despite its positive performance, LaPaz has faced several challenges throughout its internationalization process, including high initial investments, working capital constraints, and exposure to external shocks. More recently, the COVID-19 crisis, the war between Ukraine and Russia, and the current geopolitical and economic instability have increased costs and uncertainty in international markets, reinforcing the vulnerability of internationally oriented SMEs to global disruptions.

Overall, this dissertation demonstrates that an early and well-defined internationalization strategy, combined with a coherent international marketing approach, can play a decisive role in the success of SMEs. By analysing LaPaz’s international trajectory within the context of the fashion industry, this study provides relevant insights for both academic research and managerial practice, offering a solid basis for further discussion on SME internationalization.

Finally, some limitations must be acknowledged. The case study relies mainly on interviews and secondary data, which may involve subjective interpretations and potential bias.

In addition, the focus on a single SME limits the generalizability of the findings. Future research could benefit from the inclusion of quantitative data and comparative studies across different firms, industries, and geographical contexts.

References

- Adams, J., Khan, H., Raeside, R., & White, D. 2007. *Research Methods for Graduate Business and Social Science Students*. New Delhi: Sage Publications India.
https://www.researchgate.net/publication/258447621_Research_Methods_for_Graduate_Business_and_Social_Science_Students
- Agic, E., Cinjarevic, M., Kurtovic, E., & Cicic, M. 2016. Strategic marketing patterns and performance implications. *European Journal of Marketing*, 50 (12): 2216–2248.
https://www.researchgate.net/publication/311503737_Strategic_marketing_patterns_and_performance_implications
- Agarwal, S., & Ramaswami, S. N. 1992. Choice of foreign market entry mode: Impact of ownership, location and internalization factors. *Journal of International Business Studies*, 23 (1):1–27.
https://www.researchgate.net/publication/5222572_Choice_of_Foreign_Market_Entry_Mode_Impact_of_Ownership_Location_and_Internalization_Factors
- Aharoni, Y. 1966. *The Foreign Investment Decision Process*. Boston: Harvard University.
- Alexander, N., & Doherty, A. M. 2010. International retail research: Focus, methodology and conceptual development. *International Journal of Retail & Distribution Management*, 38 (12): 928–942.
https://www.researchgate.net/publication/242338623_International_retail_research_Focus_methodology_and_conceptual_development
- Al Qur'an, M. N. 2020. Success factors influencing the selection of the location of international firms. *Competitiveness Review*, 30: 665–679.
https://www.researchgate.net/publication/340387112_Success_factors_influencing_the_selection_of_the_location_of_international_firms
- American Marketing Association (AMA). 2021. Definitions of marketing. *American Marketing Association*. <https://www.ama.org/the-definition-of-marketing-what-is-marketing/>

Andersson, S. 2000. The internationalization of the firm from an entrepreneurial perspective. *International Studies of Management & Organization*, 30 (1): 63–92. https://www.researchgate.net/publication/262726643_The_Internationalization_of_the_Firm_from_an_Entrepreneurial_Perspective

Andersson, S., Evers, N., & Kuivalainen, O. 2014. International new ventures: Rapid internationalization across different industry contexts. *European Business Review*, 26 (5): 390–405. https://www.researchgate.net/publication/265857136_International_new_ventures_Rapid_internationalization_across_different_industry_contexts

Arnott, D. C. 1993. Positioning: Redefining the concept. *Doctoral dissertation, University of Warwick*. <https://library.herts.ac.uk/bib/172748>

Assaf, A. G., Josiassen, A., Ratchford, B. T., & Barros, C. P. 2012. Internationalization and performance of retail firms: A bayesian dynamic model. *Journal of Retailing*, 88 (2): 191–205. https://www.researchgate.net/publication/256796389_Internationalization_and_Performance_of_Retail_Firms_A_Bayesian_Dynamic_Model

Backhaus, K., & van Doorn, J. 2007. Consumer perceptions of advertising standardization: A cross-country study for different advertising categories. *International Management Review*, 3: 37–49. <https://www.marketingcenter.de/en/research/publications/17919>

Badgett, M. V., & Stone, M. 2005. Multidimensional segmentation at work: Driving an operational model that integrates customer segmentation with customer management. *Journal of Targeting, Measurement and Analysis for Marketing*, 13 (2): 103–121. https://www.researchgate.net/publication/233547748_Multidimensional_segmentation_at_work_Driving_an_operational_model_that_integrates_customer_segmentation_with_customer_management

Barkema, H. G., & Vermeulen, F. 1998. International expansion through start-up or acquisition: A learning perspective. *Academy of Management Journal*, 41 (1): 7–26. <https://www.jstor.org/stable/256894>

Barney, J. B. 1991. Firm resources and sustained competitive advantage. *Journal of Management*, 17 (1): 99–120.

[https://josephmahoney.web.illinois.edu/BA545_Fall%202022/Barney%20\(1991\).pdf](https://josephmahoney.web.illinois.edu/BA545_Fall%202022/Barney%20(1991).pdf)

Bartlett, C. A., & Ghoshal, S. 1989. Managing across borders: The transnational solution. Boston, MA: Harvard Business School Press.

<https://www.hbs.edu/faculty/Pages/item.aspx?num=32>

Bass, F. M. 2004. Comments On “A New Product Growth Model for Consumer Durables,” *The Bass Model*. *Management Science*, 50 (12): 1833–1840.

https://www.researchgate.net/publication/227447611_Comments_on_A_New_Product_Growth_for_Model_Consumer_Durables_The_Bass_Model

Beane, T. P., & Ennis, D. M. 1987. Market segmentation: A review. *European Journal of Marketing*, 21 (5): 20–42.

<https://www.emerald.com/ejm/article-abstract/21/5/20/84935/Market-Segmentation-A-Review?redirectedFrom=fulltext>

Bharath, S., Dittmar, A., & Sivadasan, J. 2014. Do going-private transactions affect plant efficiency and investment? *Review of Financial Studies*, 27: 1929–1976.

<https://asu.elsevierpure.com/en/publications/do-going-private-transactions-affect-plant-efficiency-and-investm/>

Bijmolt, T. H. A., Paas, L. J., & Vermunt, J. K. 2004. Country and consumer segmentation: Multi-level latent class analysis of financial product ownership. *International Journal of Research in Marketing*, 21: 323–340.

https://www.researchgate.net/publication/314888687_Country_and_Consumer_Segmentation_Multi-Level_Latent_Class_Analysis_of_Financial_Product_Ownership

https://www.researchgate.net/publication/314888687_Country_and_Consumer_Segmentation_Multi-Level_Latent_Class_Analysis_of_Financial_Product_Ownership

Bock, T., & Uncles, M. 2002. A taxonomy of differences between consumers for market segmentation. *International Journal of Research in Marketing*, 19: 215–224.

[https://doi.org/10.1016/S0167-8116\(02\)00081-2](https://doi.org/10.1016/S0167-8116(02)00081-2)

Braun, V., & Clarke, V. 2006. *Using Thematic Analysis in Psychology*. *Qualitative Research in Psychology*, 3 (2): 77–101.

https://www.researchgate.net/publication/235356393_Using_thematic_analysis_in_psychology

Braun, V., & Clarke, V. 2013. *Successful Qualitative Research: A Practical Guide for Beginners*. London: Sage.

https://www.researchgate.net/publication/256089360_Successful_Qualitative_Research_A_Practical_Guide_for_Beginners

Brouthers, K. D. 2002. Institutional, cultural and transaction cost influences on entry mode choice and performance. *Journal of International Business Studies*, 33 (1): 203–221.

Buckley, P. J., & Casson, M. 1998. Analyzing foreign market entry strategies: Extending the internalization approach. *Journal of International Business Studies*, 29: 539–561.
<https://www.jstor.org/stable/23434098>

Buckley, A. 2002. *Inwestycje Zagraniczne: Składniki Wartości I Ocena*. Warsaw: Wydawnictwo Naukowe PWN.

Buckley, P. J. 2007. The strategy of multinational enterprises in the light of the rise of China. *Scandinavian Journal of Management*, 23 (2): 107–126.
<https://doi.org/10.1016/j.scaman.2007.02.007>

Buckley, P. J., & Tian, X. 2017. Internalization theory and the performance of emerging-market multinational enterprises. *International Business Review*, 26: 976–990.
https://econpapers.repec.org/article/eeeiburev/v_3a26_3ay_3a2017_3ai_3a5_3ap_3a976-990.htm

Cannon, J. P., Perreault, W. D., & McCarthy, E. J. 2016. *Basic Marketing: A Marketing Strategy Planning Approach*. New York: McGraw-Hill Irwin.

Cardillo, R. C. 1995. Like bees to honey. *Financial Executive*, 11 (5): 7–9.

Carson, D. 1990. Some exploratory models for assessing small firms' marketing performance: A qualitative approach. *European Journal of Marketing*, 24 (11): 8–51.
<https://doi.org/10.1108/03090569010006056>

Caves, R. E. 1996. *Multinational Enterprise and Economic Analysis*. Cambridge: Cambridge University Press.

Cavusgil, S. T., & Knight, G. 2015. The born global firm: An entrepreneurial and capabilities perspective on early and rapid internationalization. *Journal of International Business Studies*, 46 (1): 3–16.

https://www.researchgate.net/publication/270704294_The_born_global_firm_An_entrepreneurial_and_capabilities_perspective_on_early_and_rapid_internationalization

Chetty, S., & Agndal, H. 2007. Social capital and its influence on changes in internationalization mode among small and medium-sized enterprises. *Journal of International Marketing*, 15 (1): 1–29.

https://www.researchgate.net/publication/240296339_Social_Capital_and_Its_Influence_on_Changes_in_Internationalization_Mode_Among_Small_and_Medium-Sized_Enterprises

Chung, H. F. L. 2007. International marketing standardization strategies analysis: A cross-national investigation. *Asia Pacific Journal of Marketing and Logistics*, 19 (2): 145–167.

https://www.researchgate.net/publication/240259458_International_marketing_standardization_strategies_analysis_A_cross-national_investigation

Clark, D. R., Li, D., & Shepherd, D. A. 2018. Country familiarity in the initial stage of foreign market selection. *Journal of International Business Studies*, 49 (4): 442–472.

<https://www.jstor.org/stable/48725222>

Constantinides, E. 2006. The marketing mix revisited: Towards the 21st century marketing. *Journal of Marketing Management*, 22 (3): 407–438.

https://www.researchgate.net/publication/247494939_The_Marketing_Mix_Revisited_Towards_the_21st_Century_Marketing_by_E_Constantinides

Creswell, J. W. 2013. *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*. Thousand Oaks, CA: Sage.

Cuellar-Healey, S., & Gomez, M. 2013. *Marketing Modules Series*. Ithaca, NY: Cornell University.

Davenport, T., Guha, A., Grewal, D., & Bressgott, T. 2020. How artificial intelligence will change the future of marketing. *Journal of the Academy of Marketing Science*, 48 (7553): 24–42.

https://www.researchgate.net/publication/336430543_How_artificial_intelligence_will_change_the_future_of_marketing

Datta, H., Ailawadi, K. L., & van Heerde, H. J. 2017. How well does consumer-based brand equity align with sales-based brand equity and marketing-mix response? *Journal of Marketing*, 81: 1–20. https://www.researchgate.net/publication/310748816_How_Well_Does_Consumer-Based_Brand_Equity_Align_with_Sales-Based_Brand_Equity_and_Marketing_Mix_Response

De Clercq, D., Sapienza, H. J., & Crijns, H. 2005. The internationalization of small and medium-sized firms. *Small Business Economics*, 24 (4): 409–419. https://www.researchgate.net/publication/5158290_The_Internationalization_of_Small_and_Medium-Sized_Firms

Denzin, N. K., & Lincoln, Y. S. 2000. *Handbook of Qualitative Research*. Thousand Oaks, CA: Sage.

Dimitrova, B., & Rosenbloom, B. 2010. Standardization versus adaptation in global markets: Is channel strategy different? *Journal of Marketing Channels*, 17 (2): 157–176. https://www.researchgate.net/publication/233126314_Standardization_Versus_Adaptation_in_Global_Markets_Is_Channel_Strategy_Different

Doole, I., & Lowe, R. 2008. *International Marketing Strategy: Analysis, Development and Implementation*. London: Cengage Learning.

Douglas, S. P., & Craig, C. S. 1983. *International Marketing Research*. Englewood Cliffs, NJ: Prentice-Hall.

Douglas, S. P., & Craig, C. S. 1995. *Global Marketing Strategy*. New York: McGraw-Hill.

Dow, D. 2000. A note on psychological distance and export market selection. *Journal of International Marketing*, 8 (1): 51–64. https://www.researchgate.net/publication/240296300_A_Note_on_Psychological_Distance_and_Export_Market_Selection

Dunning, J. H. 1988. *Explaining International Production*. London: Macmillan.

- EBSCO. 2024. Fashion industry overview. Ipswich, MA: EBSCO Information Services. <https://www.ebsco.com/research-starters/social-sciences-and-humanities/fashion-industry>
- Eisenhardt, K. M. 1989. Agency theory: An assessment and review. *Academy of Management Review*, 14 (1): 57–74. <https://doi.org/10.2307/258191>
- Eriksson, K., Johanson, J., Majkgård, A., & Sharma, D. D. 1997. Experiential knowledge and cost in the internationalization process. *Journal of International Business Studies*, 28: 337–360. https://www.researchgate.net/publication/305002929_Experiential_Knowledge_and_Cost_in_the_Internationalization_Process
- Erramilli, M. K. 1992. Influence of some external and internal environmental factors on foreign market entry mode choice in service firms. *Journal of Business Research*, 25: 263–276. <https://www.sciencedirect.com/science/article/abs/pii/0148296392900246>
- Erramilli, M. K., & Rao, C. P. 1993. Service firms' international entry-mode choice: A modified transaction-cost analysis approach. *Journal of Marketing*, 57 (3): 19–38. <https://doi.org/10.1177/002224299305700302>
- European Commission. 2024a. Entrepreneurship and small and medium-sized enterprises (SMEs). Brussels: European Commission. https://single-market-economy.ec.europa.eu/smes_en
- European Commission. 2024b. Internal market, industry, entrepreneurship and SMEs: Eurobarometer survey on SME resource efficiency. Brussels: European Commission. https://single-market-economy.ec.europa.eu/news/eurobarometer-survey-shows-more-90-smes-invest-resource-efficiency-2024-10-18_en
- Forbes Business Council. 2023. International market entry strategies for businesses. *Forbes*, October. <https://www.forbes.com/councils/forbesbusinesscouncil/2023/10/19/international-market-entry-strategies-for-businesses/>
- Gao, J., Wang, T., Jia, Y., & Wang, C. L. 2022. How and when do exporters benefit from an international adaptation strategy? *International Marketing Review*, 39 (4): 1390–1416. https://www.researchgate.net/publication/362904448_How_and_when_do_exporters_benefit

from an international adaptation strategy The moderating effect of formal and informal institutional distance

Ghemawat, P. 2001. Distance still matters: The hard reality of global expansion. *Harvard Business Review*, 79: 137–147. <https://hbr.org/2001/09/distance-still-matters-the-hard-reality-of-global-expansion>

Ghantous, N. 2008. Brand internationalization strategy beyond the standardization/adaptation dichotomy. *Thought Leaders International Conference on Brand Management Proceedings*. <https://www.guillaumenicaise.com/wp-content/uploads/2013/10/brand-internationalization-strategy.pdf>

Goi, C. L. 2009. A review of marketing mix: 4Ps or more? *International Journal of Marketing Studies*, 1 (1): 2–16. https://www.researchgate.net/publication/42385462_A_Review_of_Marketing_Mix_4Ps_or_More

Gomes, L., & Ramaswamy, K. 1999. An empirical examination of the form of the relationship between multinationality and performance. *Journal of International Business Studies*, 30: 173–187. <https://link.springer.com/article/10.1057/palgrave.jibs.8490065>

Grant, R. M. 1996. Prospering in dynamically competitive environments: Organizational capability as knowledge integration. *Organization Science*, 7 (4): 375–387. https://www.researchgate.net/publication/237713466_Prospiring_in_Dynamically-Competitive_Environments_Organizational_Capability_as_Knowledge_Integration

Grant, R. M. 1987. Multinationality and performance among British manufacturing companies. *Journal of International Business Studies*, 18 (3): 79–89. https://www.researchgate.net/publication/5222440_Multinationality_and_Performance_Among_British_Manufacturing_Companies

Grönroos, C. 1994. *From Marketing Mix to Relationship Marketing: Towards a Paradigm Shift in Marketing*. *Management Decision*, 32 (1): 4–20. [https://doi.org/10.1016/S1320-1646\(94\)70275-6](https://doi.org/10.1016/S1320-1646(94)70275-6)

Gupta, A. K., & Govindarajan, V. 2000. Knowledge flows within multinational corporations. *Strategic Management Journal*, 21 (4): 473–496.
https://www.researchgate.net/publication/40964160_Knowledge_Flows_Within_Multinationa
[l_Corporations](https://www.researchgate.net/publication/40964160_Knowledge_Flows_Within_Multinationa)

Haenlein, M., & Kaplan, A. 2019. A brief history of artificial intelligence. *California Management Review*, 61 (4): 5–14.
https://www.researchgate.net/publication/334539401_A_Brief_History_of_Artificial_Intellig
[ence_On_the_Past_Present_and_Future_of_Artificial_Intelligence](https://www.researchgate.net/publication/334539401_A_Brief_History_of_Artificial_Intellig)

Hanssens, D. M., Parsons, L. J., & Schultz, R. L. 2001. *Market Response Models*. Boston: Kluwer Academic Publishers.
https://www.researchgate.net/publication/346114955_Market_Response_Models_Econometri
[c_and_Time_Series_Analysis](https://www.researchgate.net/publication/346114955_Market_Response_Models_Econometri)

Harvard Business School Online. 2023. How to write a brand positioning statement. *Harvard Business School Online*. <https://professional.dce.harvard.edu/blog/creating-a-positioning-statement-position-the-problem-not-the-product/>

Harvard Professional Development. 2023. Creating a positioning statement: Position the problem, not the product. *Harvard Division of Continuing Education*.
<https://professional.dce.harvard.edu/blog/creating-a-positioning-statement-position-the-problem-not-the-product/>

Hashai, N. 2011. Sequencing the expansion of born global firms. *Journal of International Business Studies*, 42 (8): 995–1015.
https://www.researchgate.net/publication/228118836_Sequencing_the_Expansion_of_Geogra
[phic_Scope_and_Foreign_Operations_by_'Born_Global'_Firms](https://www.researchgate.net/publication/228118836_Sequencing_the_Expansion_of_Geogra)

Hassan, S. S., Craft, S., & Kortam, W. 2003. Understanding the new bases for global market segmentation. *Journal of Consumer Marketing*, 20 (5): 446–462.
https://www.researchgate.net/publication/235299548_Understanding_the_new_bases_for_glo
[bal_market_segmentation](https://www.researchgate.net/publication/235299548_Understanding_the_new_bases_for_glo)

Hofstede, G., Hofstede, G. J., & Minkov, M. 2010. *Cultures and Organizations: Software of the Mind*. New York: McGraw-Hill. <https://e->

edu.nbu.bg/pluginfile.php/900222/mod_resource/content/1/G.Hofstede_G.J.Hofstede_M.Min_kov%20-%20Cultures%20and%20Organizations%20-%20Software%20of%20the%20Mind%203rd_edition%202010.pdf

Hultman, M., Robson, M. J., & Katsikeas, C. S. 2009. Export product strategy fit and performance: An empirical investigation. *Journal of International Marketing*, 17 (4): 1–23. https://www.researchgate.net/publication/252537186_Export_Product_Strategy_Fit_and_Performance_An_Empirical_Investigation

Huszagh, S. M., Fox, R. J., & Day, E. 1986. Global marketing: An empirical investigation. *Columbia Journal of World Business*, 21: 31–43.

Hymer, S. H. 1976. *The International Operations of National Firms*. Cambridge, MA: MIT Press.

INE. 2024. International day of micro, small and medium enterprises. *Lisbon: Statistics Portugal*.

https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=724952779&DESTAQUEStema=55579&DESTAQUESmodo=2

Johanson, J., & 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. https://www.researchgate.net/publication/5223466_The_Internationalization_Process_of_the_Firm_A_Model_of_Knowledge_Development_and_Increasing_Foreign_Market_Commitments

Johanson, J., & Vahlne, J.-E. 1990. The mechanism of internationalization. *International Marketing Review*, 7 (4): 11–24. https://www.researchgate.net/publication/291783492_The_mechanisms_of_internationalization

Johanson, J., & Vahlne, J.-E. 2009. The Uppsala internationalization process model revisited. *Journal of International Business Studies*, 40 (9): 1411–1431. https://www.researchgate.net/publication/227470275_The_Uppsala_Internationalization_Process_Model_Revisited_From_Liability_of_Foreignness_to_Liability_of_Outsiderness

Johanson, J., & Wiedersheim-Paul, F. 1975. The internationalization of the firm: Four Swedish cases. *Journal of Management Studies*, 12 (3) 305–322.

https://www.researchgate.net/publication/227585393_The_internationalization_of_the_firm-four_swedish_cases_1

Jornal de Negócios. 2024. As PME estão no palco central da inovação. *Jornal de Negócios*.
<https://www.jornaldenegocios.pt/negocios-iniciativas/premio-nacional-de-inovacao/detalhe/20230623-0816-as-pme-estao-no-palco-central-da-inovacao>

Kalinic, I., Sarasvathy, S. D., & Forza, C. 2014. Expect the unexpected: Implications of effectual logic on the internationalization process. *International Business Review*, 23 (3): 635–647.

https://www.researchgate.net/publication/259519830_Expect_the_unexpected_Implications_of_effectual_logic_on_the_internationalization_process

Kalafatis, S. P., Tsogas, M. H., & Blankson, C. 2000. Positioning strategies in business markets. *Journal of Business & Industrial Marketing*, 15 (6): 416–437.
https://www.researchgate.net/publication/38176126_Positioning_strategies_in_business_markets

Knight, G. A., & Cavusgil, S. T. 1996. *The Born Global Firm: A Challenge to Traditional Internationalization Theory*. *Advances in International Marketing*, 8: 11–26.
https://www.researchgate.net/publication/301840778_The_born_global_rm_A_challenge_to_traditional_internationalization_theory

Knight, G. A., & Cavusgil, S. T. 2004. Innovation, organizational capabilities, and the born-global firm. *Journal of International Business Studies*, 35 (4): 124–141.
https://www.researchgate.net/publication/5223102_Innovation_organizational_capabilities_and_the_born-global_firm

Knight, G. A. 2015. Born global firms: Evolution of a contemporary phenomenon. *International Marketing Review*, 32: 165–170.
https://www.researchgate.net/publication/282187044_Born_Global_Firms_Evolution_of_a_Contemporary_Phenomenon

Knox, S. 2004. Positioning and branding your organisation. *Journal of Product & Brand Management*, 13 (2): 105–115.

https://www.researchgate.net/publication/235293467_Positioning_and_branding_your_organisation

Kotabe, M., & Czinkota, M. R. 1992. State government promotion of manufacturing exports: A gap analysis. *Journal of International Business Studies*, 23 (4): 637–658. https://www.researchgate.net/publication/5222595_State_Government_Promotion_of_Manufacturing_Exports_A_Gap_Analysis

Kotler, P., Keller, K. L., & Chernev, A. 2024. *Marketing Management*. Harlow: Pearson Education.

Laufs, K., & Schwens, C. 2014. Foreign market entry mode choice of small and medium-sized enterprises. *International Business Review*, 23: 1109–1126. <https://doi.org/10.1016/j.ibusrev.2014.03.006>

Levitt, T. 1983. The globalization of markets. *Harvard Business Review*, 61: 92–102. <https://hbr.org/1983/05/the-globalization-of-markets>

Lojacono, G. 2020. *The Entry in International Markets*. in G. Corbetta & P. Morosetti (Eds.), *Corporate Strategy for a Sustainable Growth*. Milan: Bocconi University Press, 139–162

Lu, J. W., & Beamish, P. W. 2004. International diversification and firm performance. *Academy of Management Journal*, 47 (4): 598–609. <https://doi.org/10.2307/20159604>

Luostarinen, R., & Gabrielsson, M. 2004. *Finnish Perspective of International Entrepreneurship*. In L. P. Dana (ed.), *Handbook of Research on International Entrepreneurship*: 383–403. Cheltenham: Edward Elgar.

Madhok, A. 1998. The nature of multinational firm boundaries. *International Business Review*, 7 (3): 259–290. https://www.researchgate.net/publication/247150837_The_nature_of_multinational_firm_boundaries

Madsen, T. K., & Servais, P. 1997. The internationalization of born globals. *International Business Review*, 6: 561–583. [https://doi.org/10.1016/S0969-5931\(97\)00032-2](https://doi.org/10.1016/S0969-5931(97)00032-2)

Marketing Accountability Standards Board. 2021. Marketing mix. *Common Language Marketing Dictionary*.

https://www.google.com/search?q=Marketing+Accountability+Standards+Board.+2021.+Marketing+mix.+Common+Language+Marketing+Dictionary.&client=safari&hs=CsOU&sca_esv=d33f661f42c9ee99&rls=en&ei=3pJSab6qKomqkdUPIJnm-AQ

McCarthy, D. M., Fader, P. S., & Hardie, B. G. S. 2017. Valuing subscription-based businesses. *Journal of Marketing*, 81 (1): 17–35.

https://www.researchgate.net/publication/311782314_Valuing_Subscription-Based_Businesses_Using_Publicly_Disclosed_Customer_Data

McKinsey & Company. 2024. The State of Fashion 2025. *New York: McKinsey & Company*.

https://www.mckinsey.com/~/_media/mckinsey/industries/retail/our%20insights/state%20of%20fashion/2025/the-state-of-fashion-2025-v2.pdf

Mercadal, T. 2021. *Entry Mode Strategy*. Ipswich, MA: EBSCO Information Services.

Miller, T. 1998. Global segments from strivers to creatives. *Marketing News*, 32: 11.

Moen, Ø., & Servais, P. 2002. Born global or gradual global? Examining the export behavior of SMEs. *Journal of International Marketing*, 10 (3): 49–72.

https://www.researchgate.net/publication/247837409_Born_Global_or_Gradual_Global_Examining_the_Export_Behavior_of_SMEs

Moda. 2023. Moda sector overview. *Lisbon: AICEP*.

<https://portugalglobal.pt/internacionalizacao/fileiras/lifestyle/moda/>

Mora Cortez, R., & Hidalgo, P. 2022. Prioritizing B2B marketing capabilities. *Industrial Marketing Management*, 105 (3): 422–438.

https://www.researchgate.net/publication/361900486_Prioritizing_B2B_marketing_capabilities_Crossvergence_in_advanced_and_emerging_economies

Ojala, A., & Tyrväinen, P. 2009. Impact of psychic distance to the internationalization behavior of knowledge-intensive SMEs. *European Business Review*, 21 (2): 263–277.

https://www.researchgate.net/publication/270958256_Impact_of_psychic_distance_to_the_internationalization_behavior_of_knowledge-intensive_SMEs

- Okazaki, S., Taylor, C. R., & Zou, S. 2006. Advertising standardization's positive impact on the bottom line. *Journal of Advertising*, 35 (3): 17–33.
https://www.researchgate.net/publication/233894959_Advertising_Standardization's_Positive_Impact_on_the_Bottom_Line_A_Model_of_When_and_How_Standardization_Improves_Financial_and_Strategic_Performance
- Omar, O. 2008. *International Marketing*. Basingstoke: Palgrave Macmillan.
- Onkvisit, S., & Shaw, J. J. 1987. Standardized international advertising. *Columbia Journal of World Business*, 22: 43–55.
- Onkvisit, S., & Shaw, J. J. 2009. *International Marketing: Strategy and Theory*. London: Routledge.
- Ordorica, S. 2023. International market entry strategies for business. *Forbes*.
<https://www.forbes.com/councils/forbesbusinesscouncil/2023/10/19/international-market-entry-strategies-for-businesses/>
- Oviatt, B. M., & McDougall, P. P. 1994. Toward a theory of international new ventures. *Journal of International Business Studies*, 25: 45–64.
<https://link.springer.com/article/10.1057/palgrave.jibs.8490193>
- Pan, Y., & Tse, D. K. 2000. The hierarchical model of market entry modes. *Journal of International Business Studies*, 31 (4): 535–554.
https://www.researchgate.net/publication/5222916_The_Hierarchical_Model_of_Market_Entry_Modes
- Papadopoulos, N., & Denis, J. E. 1988. Inventory, taxonomy and assessment of methods for international market selection. *International Marketing Review*, 5 (3): 38–51.
<https://doi.org/10.1108/eb008357>
- Papadopoulos, N., & Martín Martín, O. 2011. International market selection and segmentation. *International Marketing Review*, 28 (2): 132–149.
https://www.researchgate.net/publication/235267068_International_Market_Selection_and_Segmentation_Perspectives_and_Challenges
- Patton, M. Q. 2015. *Qualitative Research and Evaluation Methods*. Thousand Oaks, CA: Sage.

- Puig, F., González-Loureiro, M., & Ghauri, P. N. 2014. Internationalization for survival. *Management International Review*, 54 (5): 653–673. https://www.researchgate.net/publication/264860524_Internationalisation_for_Survival_The_Case_of_New_Ventures
- Puthusserry, P., Child, J., & Khan, Z. 2020. Social capital development through the stages of internationalization. *Global Strategy Journal*, 10 (2): 282–308. <https://abdn.elsevierpure.com/en/publications/social-capital-development-through-the-stages-of-internationaliza/>
- Ries, A., & Trout, J. 1982. *Positioning: The Battle for Your Mind*. New York: McGraw-Hill.
- Roberts, J. H., Kayande, U., & Srivastava, R. K. 2015. What's different about emerging markets? *Customer Needs and Solutions*, 2 (4): 245–250. https://www.researchgate.net/publication/284001277_What's_Different_About_Emerging_Markets_and_What_Does_it_Mean_for_Theory_and_Practice
- Robles, F. 1994. International market entry strategies and performance of U.S. catalog firms. *Journal of Direct Marketing*, 8 (1): 59–70. https://www.researchgate.net/publication/222643971_International_Market_Entry_Strategies_and_Performance_of_United_States_Catalog_Firms
- Root, F. R. 1987. *Entry Strategies for International Markets*. Lexington, MA: Lexington Books.
- Root, F. R. 1994. *Entry Strategies for International Markets*. Lexington, MA: Lexington Books.
- Rust, R. T. 2020. The future of marketing. *International Journal of Research in Marketing*, 37 (1): 15–26. https://www.researchgate.net/publication/335513640_The_future_of_marketing
- Sapienza, H. J., Autio, E., George, G., & Zahra, S. A. 2006. A capabilities perspective on the effects of early internationalization. *Academy of Management Review*, 31 (4): 914–933. https://www.researchgate.net/publication/228270612_A_Capabilities_Perspective_on_the_Effects_of_Early_Internationalization_on_Firm_Survival_and_Growth

Sarasvathy, S. D. 2001. Causation and effectuation. *Academy of Management Review*, 26 (2): 243–263.

https://www.researchgate.net/publication/228264546_Causation_and_Effectuation_Toward_A_Theoretical_Shift_from_Economic_Inevitability_to_Entrepreneurial_Contingency

Saunders, M., Lewis, P., & Thornhill, A. 2023. *Research Methods for Business Students*. Harlow: Pearson Education.

Sethi, S. P. 1971. Comparative cluster analysis for world markets. *Journal of Marketing Research*, 8: 348–354

Sethi, S. P., & Holton, R. H. 1973. Country typologies for the multinational corporation. *California Management Review*, 15 (3): 105–118.
https://www.researchgate.net/publication/271695855_Country_Typologies_for_the_Multinational_Corporation_A_New_Basic_Approach

Shane, S. 1994. The effect of national culture on foreign investment choice. *Strategic Management Journal*, 15: 627–642. <https://doi.org/10.1002/smj.4250150805>

Sharma, V. M., & Erramilli, M. K. 2004. Resource-based explanation of entry mode choice. *Journal of Marketing Theory and Practice*, 12 (1): 1–18.
https://www.researchgate.net/publication/285544710_Resource-Based_Explanation_of_Entry_Mode_Choice

Sheng, S., & Mullen, M. R. 2011. A hybrid model for export market opportunity analysis. *International Marketing Review*, 28 (2): 163–182.
https://www.researchgate.net/publication/235264454_A_hybrid_model_for_export_market_opportunity_analysis

Smith, W. R. 1956. Product differentiation and market segmentation. *Journal of Marketing*, 21 (1): 3–8. <https://doi.org/10.2307/1247695>

Srinivasan, S., & Hanssens, D. M. 2009. Marketing and firm value. *Journal of Marketing Research*, 46 (3): 293–312.
https://www.researchgate.net/publication/228149938_Marketing_and_Firm_Value_Metrics_Methods_Findings_and_Future_Directions

- Steenkamp, J.-B. E. M., & Ter Hofstede, F. 2002. International market segmentation. *International Journal of Research in Marketing*, 19 (3): 185–213. https://www.researchgate.net/publication/315716815_International_Market_Segmentation_Issues_and_Perspectives
- Sudhir, K., Priester, J. R., Shum, M., et al. 2015. Research opportunities in emerging markets. *Customer Needs and Solutions*, 2 (4): 264–276. https://www.researchgate.net/publication/275252072_Research_Opportunities_in_Emerging_Markets_an_Inter-disciplinary_Perspective_from_Marketing_Economics_and_Psychology
- Taylor, C. R. 2005. Moving international advertising research forward. *Journal of Advertising*, 34 (1): 7–16. https://www.researchgate.net/publication/233894755_Moving_international_advertising_research_forward_A_new_research_agenda
- Theodosiou, M., & Leonidou, L. C. 2003. Standardization versus adaptation of international marketing strategy. *International Business Review*, 12 (2): 141–171. [https://doi.org/10.1016/S0969-5931\(02\)00094-X](https://doi.org/10.1016/S0969-5931(02)00094-X)
- Tynan, A. C., & Drayton, J. 1987. Market segmentation. *Journal of Marketing Management*, 2 (3): 301–335. https://www.researchgate.net/publication/261661875_Market_segmentation
- Varadarajan, R. 2010. Strategic marketing and marketing strategy. *Journal of the Academy of Marketing Science*, 38 (2): 119–140. https://www.researchgate.net/publication/225485091_Strategic_Marketing_and_Marketing_Strategy_Domain_Definition_Fundamental_Issues_and_Foundational_Premises
- Wedel, M., & Kannan, P. K. 2016. Marketing analytics for data-rich environments. *Journal of Marketing*, 80 (6): 97–121. https://www.researchgate.net/publication/303482496_Marketing_Analytics_for_Data-Rich_Environments
- Wedel, M., & Kamakura, W. 2002. Introduction to the special issue on market segmentation. *International Journal of Research in Marketing*, 19 (3): 181–183. https://www.researchgate.net/publication/247220433_Introduction_to_the_Special_Issue_on_Market_Segmentation

Wei, H.-C., & Christodoulou, C. 1997. Strategic direct investment decision processes. *Management Decision*, 35 (8): 619–630.
<http://dx.doi.org/10.1108/00251749710176145>

Welch, L. S., & Luostarinen, R. 1988. Internationalization: Evolution of a concept. *Journal of General Management*, 14 (2): 34–55.
https://www.researchgate.net/publication/285844787_Internationalization_Evolution_of_a_Concept

Wheelen, T. L., & Hunger, J. D. 2000. *Strategic Management and Business Policy*. Reading, MA: Addison-Wesley.

Whitelock, J. M., & Pimblett, C. 1997. The standardization debate in international marketing. *Journal of Global Marketing*, 10: 45–66.

Yin, R. K. 2009. *Case Study Research: Design and Methods*. Thousand Oaks, CA: Sage.

Yin, R. K. 2018. *Case Study Research and Applications*. Thousand Oaks, CA: Sage.

Zaïem, I., & Zghidi, A. B. 2011. Product adaptation strategy and export performance. *Contemporary Management Research*, 7 (4): 291–311.
https://www.researchgate.net/publication/291203771_Product_Adaptation_Strategy_and_Export_Performance_The_Impacts_of_the_Internal_Firm_Characteristics_and_Business_Segment

Zerfass, A., Verčič, D., & Wiesenberg, M. 2016. Managing CEO communication and positioning. *Journal of Communication Management*, 20 (1): 37–55.
https://www.researchgate.net/publication/292944955_Managing_CEO_communication_and_positioning

Appendix

Appendix 1- Interview

First of all, I would like to thank you for agreeing to participate in this interview as part of my master's thesis at Católica Lisbon Business School on the topic “How having an internationalization Strategy and a focus on the International Market since the beginning impacts the success of a SME? A case study of LaPaz.” My goal is to understand how a small and medium-sized enterprise (SME) following an internationalization strategy from the outset can contribute significantly to its success.

I would like to ask your permission to record this interview for later analysis. The information collected will be used exclusively for the development of this study.

Introduction

1. To begin our conversation, could you briefly introduce yourself and explain your connection to LaPaz? Could you also explain your role and your main responsibilities?

The origin and history of the brand

2. In what year was LaPaz founded?

3. What is the brand's purpose, mission, and vision? What led to the creation of the LaPaz brand/what was the main goal you wanted to achieve with the creation of this brand? What did you want to bring to the market that was new?

4. Could you explain the history and trajectory of LaPaz since its founding?

Company characteristics

5. I would now like to ask you for some information that will be important for a more detailed characterization of LaPaz. To this end, I will ask you a few questions.

5.1 How many employees does the company have and how has this number evolved since its foundation?

5.2 What are the main markets to which you export?

5.3 In which markets are you most successful?

5.4 Approximately what percentage of LaPaz's turnover/sales do exports to each of these markets represent?

5.5 Who do you consider to be LaPaz's main competitors? Do competitors differ depending on the geographical market?

Industry – characteristics and challenges

6. How would you characterize the sector/industry in which LaPaz operates?
7. Is it a very competitive sector?
8. What are the main challenges facing the international fashion industry today?
9. What are the major trends shaping the industry? How has LaPaz sought to respond to these trends?

Internationalization strategy and mode of entry into international markets

10. Why did you decide, right from the brand's creation, to focus on the international market? Was it a deliberate decision (or was it a matter of chance)?
11. What strategy did LaPaz use to select the international markets in which it operates?
12. What strategies has LaPaz followed to enter international markets? In other words, how does it enter international markets—through exports, by opening its own stores? Does it always follow the same mode of entry in different markets?
13. What factors do they take into account when deciding how to enter international markets ?

Adaptation vs. standardization

14. Do you follow the same strategy to serve all the markets in which you operate, or do you adapt your strategy to better serve each market?
15. Why did you feel the need to adapt/why did you not feel the need to adapt?
16. If you adapt your strategy for each market, do you consider this adaptation to be very complex and difficult to manage?

Segmentation and targeting

17. Based on which criteria, or variables, does LaPaz segment its markets? If you do not do so yet, what criteria do you consider relevant for segmenting markets? (Give examples of segmentation criteria—for example, through geographic variables—segmentation by country; through demographic variables such as gender, age or generation, or income level; through psychographic variables such as lifestyle or values; or behavioural variables – such as the occasion when people wear the clothes (e.g., more informal occasions), benefits sought (e.g., quality, durability, design, sustainability, price)
18. Which market segments did you select or choose to serve? (e.g., men, between X and Y years old, with a lifestyle, who value...when buying clothes)

19. Do you consider that consumers you have chosen to serve in different international markets have similar characteristics? Are their needs and desires similar, do they value the same type of benefits when buying clothes? Or do consumers in different markets have different needs and clothing purchasing behaviors?

Desired positioning and brand image

20. What is LaPaz's desired positioning in the markets in which it operates (international and domestic)? (What position do you want to occupy in the market—or what unique benefit (or benefits) do you want customers to associate with the brand? /What fundamental association do you want customers to make with the brand? /How do you want them to think about the brand?)

21. Do you consider that the brand image in the different international markets (and in the domestic market) is consistent with the desired positioning? (Do you believe that you have achieved the desired position in the markets in which you operate?)

22. If you have not yet achieved the desired positioning, what will be important to do in this regard?

Marketing mix strategy

Product

23. What are the main products sold by LaPaz?

24. Do you sell the products that are part of the brand's portfolio in all markets?

25. Have you developed specific products to serve a particular market? If so, what led to the development of this/these product(s) for this/these particular market(s)? If not, have you never felt the need to do so?

26. Do you adapt your size range for international markets?

27. Do you develop products for the children's and women's markets?

28. Are your collections seasonal or timeless?

29. Do you think that customers in different markets value the same attributes/benefits when buying clothing or fashion accessories?

Price:

30. What pricing strategy does LaPaz use in international markets?

31. Does LaPaz adopt the same price for all markets, or does it implement different prices for each market?

32. If it adapts prices, what are the reasons for this adaptation? (Are the differences due only to differences in transportation/distribution costs? Or are they explained by differences in the desired positioning of the brand in each market? Or other factors?)

Distribution:

33. What are the main channels used by LaPaz to sell its products in the different markets where it operates? Do you use online and physical channels? How important are they?

34. Do you sell through the LaPaz website and the brand's own stores? Do you only have your own stores in Porto and Lisbon (anywhere else in Portugal?) or do you also have stores in any international markets?

35. Do you also sell through intermediaries? For example, through multi-brand fashion retailers, online and through their physical stores?

36. What process did you follow to ensure the distribution of LaPaz products through these intermediaries in international markets? Do you use agents to represent LaPaz in international markets?

37. Was participation in international fashion fairs important in making the brand known in international markets and ensuring its distribution? Which international fashion fairs do you usually participate in?

38. Do you work closely with the intermediaries that sell the brand in international markets? What support do you give to intermediaries?

39. Is the strategy followed to sell LaPaz products the same for all markets in which you operate? Why?

Promotion

40. What are the main communication strategies used by LaPaz to promote the brand and its products? What are the main communication channels used, online and offline?

41. Do you invest heavily in social media communication? Which social media platforms are you present on? Do you advertise on all of these social media platforms?

42. Do you collaborate with influencers in international markets? If so, can you give some examples?

43. Do you advertise in fashion magazines or other media?

44. Do you sponsor any public figures in Portugal and in international markets? If so, which ones?

45. Do you sponsor events?

46. Do you hold events in the international markets where you are present? If so, can you give some examples? Do you hold events specifically to help sell off stock?

47. Do you use the same communication strategy in all the international markets where you operate? Why?

48. In the case that you adapt your marketing mix strategy, or some components of that strategy, for each of the international markets you serve, how do you think this leads to a more favourable response from customers to the brand and greater brand loyalty?

Portugal vs abroad

49. How does the LaPaz Strategy differ between the domestic market and the foreign market?

50. Do you consider that the brand has a stronger presence in the domestic market or in the international market? Approximately what percentage of sales are in the domestic market compared to the international market?

Challenges

51. What were the main challenges faced by LaPaz in its internationalization process in the early stages?

52. And what are the current challenges of internationalization? (Are they still the same as those faced in the beginning?)

53. How have you sought to overcome these challenges?

Impact of the internationalization strategy on the brand's success

54. How do you think the fact that LaPaz has pursued an internationalization strategy since the brand's creation (or almost since its foundation) has influenced its success?

55. Can you give some examples of the advantages that the commitment to internationalization has had for the success of LaPaz?

56. How has internationalization influenced the brand's trajectory and its growth process? To what extent do you think the brand's trajectory would have been different if it had not focused on internationalization from the outset?

57. If you could go back, is there anything you would have done differently in this internationalization process?

Future

58. What are LaPaz's main goals for the future in terms of its internationalization process?

59. What are the next international markets you intend to enter? In which markets would you like to strengthen the brand's presence?

60. Do you intend to continue with the internationalization strategy you have followed so far? What aspects do you think would be important to improve?

Conclusion

61. Finally, I would like to sincerely thank you for your time and for your very important contribution to my work. Would you like to add anything else?

