

**INTERNATIONAL MANAGEMENT: THE STAGE  
APPROACH TO THE INTERNATIONAL PROCESS OF  
THE CZECH COMPANIES**

**Šárka Zapletalová\***

**ABSTRACT**

Majority of firms' field of activity operates on local, regional, or domestic level. These firms are a part of the global economic environment. It means that they will necessarily be influenced by all the consequent changes not only in national but also in global environment. The entrepreneurial subject, who applies the growth strategy, will have to decide soon or later about the form if his/her expansion not only on the domestic market, but also on the foreign market. The internationalization of entrepreneurial activities is represented by geographic expansion of entrepreneurial activities cross national borders. Internationalization theory subsumes to two diverse approaches – stage approach and global approach. Recent years have brought a significant number of approaches to the realization of entrepreneurial activities. The most dominant and frequent seem to be two approaches distinguished according to the procedure and realization of individual stages made by entrepreneurs: the stage and global approach. The objective of this paper is to present an overview of the use of stage approach in the process of internationalization entrepreneurial activities of Czech companies. The paper is based on data collected in interviews with managers and founders of 204 Czech entrepreneurial subjects. The internationalization of the entrepreneurial subjects has been researched using the method of questioning. The paper presents stage approach and defining key factors of internationalization process.

**KEYWORDS:** internationalization process, stage approach, Czech companies, born global company, gradually globalizing company.

**JEL CLASSIFICATION:** F23, M16.

\* Business School Ostrava plc., Czech Republic

## Introduction

Internationalization of company activities is the necessity for majority of entrepreneurial subjects. Changing conditions and market structures demand that many companies devise new strategies, as they search for a competitive place in their home markets and take advantage of emergent market opportunities. The decision on internationalization of company activities counts among key long-term strategic decision. The entrance and activities of entrepreneurial subjects on the markets can be complicated owing to a number of factors that are given by the environment on one hand and the position and situation of the entrepreneurial subject itself on the other hand.

The objective of this paper is to present an application of the stage approach to the internationalization process of entrepreneurial activities of the selected Czech entrepreneurial subjects. In the first part of the paper will be explained the approaches to the internationalization of entrepreneurial activities. In the second part of the paper will present the results of the survey realized between Czech entrepreneurial subjects. The paper is based on data collected in interviews with managers and founders of 204 Czech entrepreneurial subjects. The internationalization of the entrepreneurial subjects has been researched using the method of questioning. The research shows that almost entrepreneurial subjects in the Czech Republic ventured into international markets after a long time after their founding.

## The Stage Approach to the International of Entrepreneurial Activities

The internationalization of entrepreneurial activities is represented by their geographic expansion across national borders (Lopez, Kundu & Ciravegna, 2009). The problems of the internationalization of entrepreneurial activities have attracted a considerable interest among a number of significant economists such as Johanson, J., Vahlne, J.-E., Andersen, Ruzzier, Lopez and other.

Internationalization theory subsumes to two diverse approaches – stage approach (gradually globalizing company) and global approach (born global company).

According to the stage approach, companies start selling products in their home markets and then they gradually search for new countries (Baronchelli, 2008). Within the stage approach, there are three main models that can be identified: the Product Life Cycle Theory by Raymond Vernon,

the Uppsala Internationalization Model (U-model) and the Innovation-Related Internationalization Models (I-models).

According to Vernon (1966) the internationalization process of the firm follows the development of the product Life Cycle: companies usually introduce new products only in their home market and then they eventually go abroad in the product maturity phase.

The stage approach of internationalization process of the individual firms is mostly associated with the research of Johanson and Wiedersheim-Paul and Johanson and Vahlne. Johanson and Wiedersheim-Paul distinguish between four different modes of entering an international market, where the successive stages represent higher degrees of international involvement (Johanson & Vahlne, 2009; Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975):

1. No regular export activities
2. Export via independent representatives
3. Establishment of an overseas sales subsidiary
4. Overseas manufacturing units

Work of Johanson and Wiedersheim-Paul has probably also been the inspiration for the development of the Innovation-Related Internationalization Models. The Innovation-Related Internationalization Models explaining the internationalization process from an innovation-related perspective. The internationalization decision is considered as an innovation for the firms. The models are derived from Roger's stages of the adoption process (Andersen, 1993). The Innovation-Related Internationalization Models, focusing on internationalization as an innovation for the firm. The internationalization process of the individual firm is most closely associated with the research of Johanson and Vahlne (Johanson & Vahlne, 1977). Their work has probably also been the inspiration for the development of the Innovation-Related Internationalization Models (Andersen, 1993). The models are derived from Roger's stages of the adoption process (Rogers, 1962). Innovation adoption describes the selection of an innovation as the most acceptable alternative, among a series of options, at a given point in time (Zaltman & Stiff, 1973). The utilization of the innovation adoption framework in export decision making was first considered by Simmonds and Smith (Simmonds & Smith, 1968) but significant advances were made by Bilkey and Tesar (Bilkey & Tesar, 1977). These authors concluded that the

process of export development was depicted by several distinct stages and that various different factors affected decision making at each stage. An extensive volume of research has examined the way in which firms progress along the internationalization continuum and suggests that a sequence of discrete stages exists which proxy the “stop and go” (Dalli, 1994), stepwise process exemplifying the evolution of international involvement. Implicit between each set of stages is the notion that fairly stable periods exist in which firms consolidate and generate an appropriate resource base to respond to fortuitous environmental conditions which allow them to proceed to the next internationalization stage. Table I summarizes the most well-known models explaining the internationalization process from an innovation-related perspective. The models in Table I focus on the learning sequence in connection with adopting an innovation. The taxonomies highlighted in Table I share many of the same characteristics. However, the main differences include the number of stages in each model. For example, Bilkey and Tesar (Bilkey & Tesar, 1977) and Czinkota (Czinkota, 1982) recognized six stages, while Rao and Naidu (Rao & Naidu, 1992) were only able to identify four stages in their research.

Bilkey and Tesar (Bilkey & Tesar, 1977) conceptualized the process of export development on the basis of firms’ increasing involvement in exporting to psychologically more distant markets. Their taxonomy was composed of six export development stages with the extremes rating from firms whose management had no interest in exporting to those whose management explored the feasibility of exporting to perpetually greater psychologically more distant countries.

Cavusgil (Cavusgil, 1980) proposed a taxonomy with five stages which were described as firms’ activities in: domestic marketing; pre-export involvement; active export involvement; and committed export involvement. This export development process was founded on management’s successive decisions regarding exporting over a period of time. Furthermore, it was suggested, on the basis of empirical evidence that several firm-specific characteristics and managerial factors acted as determinants in the process of facilitating or inhibiting the progress of firms from one internationalization stage to the next.

Reid (Reid, 1981) purported an explicit innovation adoption sequence of exporting. He conceived the innovation to follow the stages of a firm’s: export awareness; export intention;

export trial; export evaluation; and export acceptance. In this context, export adoption was believed to require a favourable management attitude to exporting, an available foreign market opportunity and the presence of spare resource capacity within the firm.

**Table 1 The Innovation-Related Internationalization Models**

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
<b>Bilkey and Tesar (1977)</b>					
Management is not interested in exporting	Management is willing to fill unsolicited orders, but makes no effort to explore the feasibility of active exporting	Management actively explores the feasibility of active exporting	The firm exports on an experimental basis to some psychologically close country	The firm is an experienced exporter	Management explores the feasibility of exporting to other more psychologically distant countries.
<b>Cavusgil (1980)</b>					
Domestic marketing	Pro-export engagement	Experimental export involvement	Active export involvement	Committed export involvement	
<b>Reid (1981)</b>					
Export awareness	Export intention	Export trial	Export evaluation	Export acceptance	
<b>Wortzel and Wortzel (1981)</b>					
Importer pull	Basic production capacity marketing	Advanced production capacity marketing	Product marketing – channel push	Product marketing – consumer pull	
<b>Czinkota (1982)</b>					
The completely uninterested firm	The partially interested firm	The exporting firm	The experimental firm	The experience small exporter	The experienced large exporter
<b>Lim et al. (1991)</b>					
Export	Export	Export	Export		



awareness	interest	intention	adoption		
<b>Rao and Naidu (1992)</b>					
Non-exporters	Export intenders	Sporadic exporters	Regular exporters		

Source: adapted from Morgan (Morgan & Katsikeas 1997)

Wortzel and Wortzel (Wortzel & Wortzel, 1981) were able to identify five stages of international market entry and expansion. Each of these stages was distinguished by the extent of control exercised by the exporter concerning its activities in overseas markets. That is, each successive stage was signified by a greater internationalization of marketing, production and administrative functions previously performed by foreign market-based intermediaries. Underlying this taxonomy is the significance of contingency issues which influence the determination of appropriate and desirable levels of international involvement.

Czinkota (Czinkota, 1982) attempted to segment firms on the basis of an internationalization taxonomy so as to be able to target government export assistance requirements effectively. Six distinct groups of firms emerged, which ranged from those completely uninterested in exporting, and restricted to the domestic market, to those that could be described as experienced large exporters. An empirical investigation revealed that firms, at various stages, significantly differed in terms of their organizational and managerial characteristics.

Lim et al. (Lim, Sharkey & Kim, 1991) expanded on the work of Reid (Reid, 1981) and identified four levels of export innovation, these being: export awareness; export interest; export intention and export adoption. Strong evidence of support for this framework was found which suggested that innovation adoption does have considerable applicability in the context of export decision making.

Rao and Naidu (Rao & Naidu, 1992) analysed groups of firms according to an a priori assignment of firms classed as: non-exporters; export intenders; sporadic exporters; and regular exporters. This taxonomy was empirically tested and validated on the basis that each stage captured the distinct attributes of firms' internationalization activities.

Both the U-models and the I-models can properly be regarded as behaviorally oriented. Based on the arguments by the authors, the gradual pattern of the firm's internationalization process can mainly be attributed to two reasons: (1) The lack of knowledge by the firm, especially "experiential knowledge," and (2) Uncertainty associated with the decision to internationalize. The arguments for the gradual pattern are discussed in length in the article of Johanson and Vahlne (Johanson & Vahlne, 1977). The other authors explicitly or implicitly build on Johanson and Vahlne's contribution.

Many enterprises do not follow an incremental stage approach but it is often reported that they start their international activities from their birth. Literature on internationalization defines these companies as born global companies; they are specified as the companies that view the world as their marketplace from the outset and see the domestic market as a support for their international business (McKinsey & Co, 1993). Knight and Cavusgil (1996) claim that born global companies are "small, technology-oriented companies that operate in international markets from the earliest days of their establishment." And finally, Oviatt and McDougall (1994) approach a born global company as "a business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and the sales of outputs in multiple countries."

Born global companies are typical by their early and strong global orientation; managers in such companies view the whole world as a potential market. Rapid changes in information technology, production, and communication strategies create various opportunities for the born global phenomenon to grow, as it is documented in previous research (Rennie, 1993; Knight, 1997).

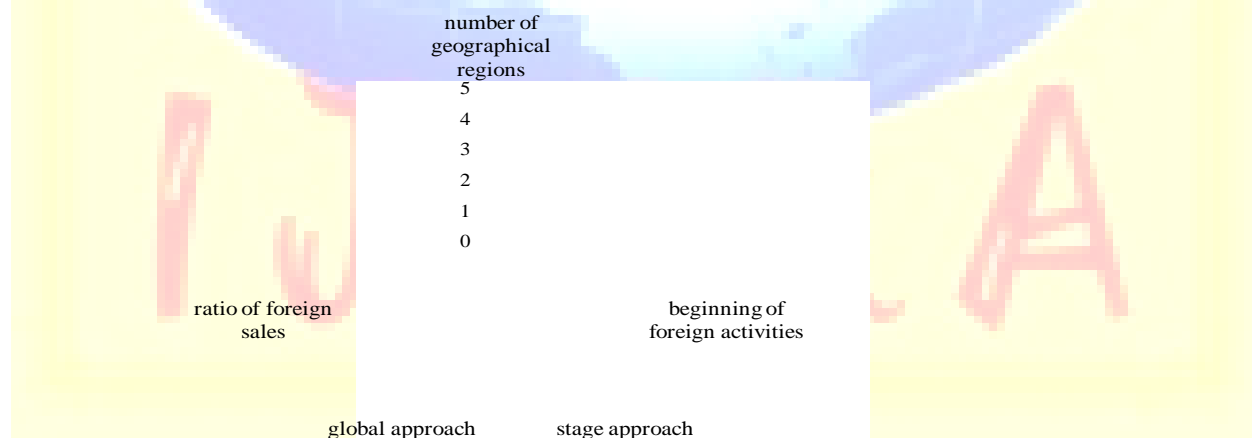
The model gradually globalizing company (stage approach) – born global company (global approach) should then comply with the criteria: the beginning of foreign activities (speed of internationalization), number of geographical regions (scope of internationalization) and ratio of foreign sales (importance of foreign sales). The approach to the internationalization of entrepreneurial activities will be classified according to the following criteria (the criteria are displayed below in Figure 1):

1. The Speed of internationalization (beginning of foreign activities): The speed of internationalization is measured in the study by the time span between founding and the first

foreign market entry. The gradually globalizing company entered the foreign market for the first time after three years from founding company. The born global company entered the foreign market for the first time within three years from the time of founding.

2. The geographic scope of internationalization (number of geographical regions): The geographic scope of internationalization is measured for the purposes of the research by the number of geographical regions in which the company currently operates. The gradually globalizing company must have activities in at least one geographical region. The born global company must have activities in at least two different geographical regions.
3. The importance of foreign sales (ratio of foreign sales): The proportion of foreign sales compared to the total sales of a company presents a further criterion regarding the stage approach company. For gradually globalizing company the ratio of foreign sales to total sales may be less than 75%. The author of the study claims that at least the ratio of 75% is necessary for establishing a born global company.

**Figure 1 Criteria for the assessment of the approach**



*Source: personal research*

## Methodology



This paper presents the results of research that was focused on approach to the process of internationalization entrepreneurial activities of Czech companies. Therefore, in stage approach to the beginning of international entrepreneurial activities context, author propose:

Hypothesis 1: The higher level of knowledge of a foreign market increases the probability of the application of global approach.

Hypothesis 2: Specific areas of business activities increase the probability of and offer better opportunities for the application of global approach.

Hypothesis 3: The smaller the size and the lower the age of a company, the higher the probability of the application of global approach.

Hypothesis 4: Integration of the company and its founders in formal and informal networks increases the probability of the application of global approach.

Hypothesis 5: Factors that significantly contribute to and influence the process of entering international markets are the target foreign market knowledge and the level of costs connected with the realization of foreign entrepreneurial activities.

Hypothesis 5a: Perceived importance of the target foreign market knowledge is dependent on the size of the company.

Hypothesis 5b: Perceived importance of the level of costs connected with the realization of foreign entrepreneurial activities is dependent on the size of the company.

Hypothesis 5c: Perceived importance of the level of knowledge and skills of managers is dependent on the size of the company.

Hypothesis 5d: Perceived importance of the character of product is dependent on the size of the company.

Hypothesis 5e: Perceived importance of the total available resources of firm dependent on the size of the company.

Hypothesis 5f: Perceived importance of the desire for trying entrepreneurial activities on international markets dependent on the size of the company.

The companies included in the study are those that have undertaken internationalization activities and are incorporated in the Czech Republic. There were a total of 204 enterprises that participated in the research. And the entrepreneurial subjects included in this research were from a wide range of industries. The internationalization of the entrepreneurial subjects has been

researched using the method of questioning. The research method was an oral questioning and the main instrument was a questionnaire. In order to ensure a representative sample, the questionnaire was submitted to the selected top managers or directors of enterprises. The total of 204 valid questionnaires was collected, which provided the response rate of 100 per cent. The research was carried out between February 2012 and March 2012 in the Czech Republic.

The dependent variable in this study is the approach to the beginning of entrepreneurial activities on foreign markets. The independent variables in this study are: the level of knowledge of the target foreign market, cooperation with another company (Czech or foreign partners). Other independent variables are: the importance of the target foreign market knowledge (coefficient alpha = 0.85), the importance of the level of costs connected with the realization of foreign entrepreneurial activities (coefficient alpha = 0.78), the importance of the level of knowledge and skills of managers (coefficient alpha = 0.78), the importance of the character of product (coefficient alpha = 0.75), the importance of the total available resources of firms (coefficient alpha = 0.84) and the importance of the desire for trying entrepreneurial activities on international markets (coefficient alpha = 0.75). Questions were asked using the five-point Likert Scale (5 = strongly agree to 1 = strongly disagree).

## Results and Discussion

All variables were screened to reveal their distribution through Pearson correlation coefficients. The hypotheses 1, 2, 4 were tested through Categorical Data Analysis. Table 2 presents the results of the analysis.

I hypothesized (H1) that the higher level of knowledge of a foreign market increases the probability of the application of global approach. This hypothesis is supported, but strength of this relationship is low, as shown in Table 2.

**Table 2: Categorical Data Analysis for Hypothesis 1, 2, 4**

	Pearson Chi-Square		Cramer's V	Asymp. Sig.
	Value	df	Value	
<b>Hypothesis 1</b>	6.462	2	0.178	0.040
<b>Hypothesis 2</b>	6.465	14	0.178	0.953
<b>Hypothesis 4</b>	2.327	3	0.107	0.507

Source: personal research

Hypothesis 2 suggested that certain areas of business activities increase the probability of the application of global approach. This hypothesis is not supported.

In Hypothesis 4 it was proposed that integration of the company and its founders in formal and informal networks increases the probability of the application of global approach. This hypothesis is not supported.

The Hypothesis 3 was tested through ANOVA Analysis. Table 3 presents the results of the analysis.

**Table 3: ANOVA Analysis for Hypothesis 3**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Size</b>	<i>Between Groups</i>	0.777	1	0.777	0.754	0.386
	<i>Within Groups</i>	208.145	202	1,030		
	<i>Total</i>	208.922	203			
<b>Age</b>	<i>Between Groups</i>	0.025	1	0.025	0.066	0.798
	<i>Within Groups</i>	76.970	202	0.381		
	<i>Total</i>	76.995	203			

Source: personal research

In Hypothesis 3 it was proposed that the smaller and the younger the company is the higher the probability of the application of global approach. This hypothesis is not supported.

***The speed of internationalization***

The gradually globalizing company entered the foreign market for the first time after three years from founding company – the criterion applies to 98 companies (48%). The born global company entered the foreign market for the first time within three years from the time of founding – the criterion applies to 106 companies (52%).

***The geographic scope of internationalization***

The gradually globalizing company must have activities in at least one geographical region – the criterion applies to 194 companies (95%). The born global company must have activities in at least two different geographical regions – the criterion applies to 10 companies (5%).

***The importance of foreign sale***

For gradually globalizing company the ratio of foreign sales to total sales may be less than 75% - the criterion applies to 182 companies (89%). The author of the study claims that at least the

ratio of 75% is necessary for establishing a born global company – the criterion was fulfilled by 22 companies (11%).

The results show that the process of internationalization of entrepreneurial activities in the Czech Republic is realized both by the stage and global approach; however, the stage approach has a dominant role in 98 per cent of entrepreneurs. The global approach was used in 4 companies.

**Table 4: Factors significantly contributing to the decision-making process with the respect to the beginning of entrepreneurial activities on international markets**

	mean	rank
Target foreign market knowledge	4.36	1.
Level of costs connected with the realization of foreign entrepreneurial activities	4.31	2.
Character of product	4.00	3.
Level of knowledge and skills of managers	4.10	4.
Total available resources of firm	3.99	5.
Desire for try entrepreneurial activities on international markets	2.84	6.

Source: personal research

The data in Table 4 indicate that the most important factors are the target foreign market knowledge and the level of costs connected with the realization of foreign entrepreneurial activities.

The hypothesis 5 was tested through factor analysis of the multi-item scales related to five independent variables. Varimax rotation was performed. It was extracted 3 factors with eigenvalues greater than 1. Factor loadings greater than 0.5 are shown in bold. In Table 5 is present the results of the factor analysis.

**Table 5: Factor analysis results for multi-item scales**

Scale items	Factors			
	Mean	s.d	1	2

Knowledge of target foreign market	4.36	0.69	<b>0.752</b>	-0.160
Costs level for realization of foreign entrepreneurial activities	4.31	0.87	-0.284	<b>0.703</b>
Character product for foreign market supply	4.00	0.90	<b>0.707</b>	0.210
Knowledge level of managers responsible for realization of foreign entrepreneurial activities	4.10	0.99	0.409	0.153
Total disponibilities sources	3.99	0.99	0.293	<b>0.722</b>
Longing for try new	2.84	1.38	0.142	0.365
Eigenvalue			1.510	1.152
Percentage of variance explained			25.159	19.198
Cumulative percentage of variance explained			27.975	44.357

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

a. Rotation converged in 6 iterations

Source: personal research

Table 5 indicate two groups of factors. Factor 1 (includes knowledge of target foreign market and character product) represents „the knowledge factor“. Factor 2 (includes costs level and total disponibilities sources) represents „the cost factor“.

The hypotheses 5a – 5f were tested through Categorical Data Analysis. Table 6 presents the results of the analysis.

**Table 6: Categorical Data Analysis for Hypothesis 5a – 5f**

	Pearson Chi-Square		Cramer's V	Asymp. Sig.
	Value	df	Value	
<b>Hypothesis 5a</b>	13.056	12	0.146	0.365
<b>Hypothesis 5b</b>	8.733	12	0.119	0.726
<b>Hypothesis 5c</b>	17.455	12	0.169	0.133
<b>Hypothesis 5d</b>	7.416	12	0.110	0.829
<b>Hypothesis 5e</b>	12.917	12	0.145	0.375
<b>Hypothesis 5f</b>	16.864	12	0.166	0.155

Source: personal research

Hypothesis 5a – 5f are not supported.



## Conclusion

With the global integration of economic environments and different factors driving globalization and internationalization of companies with small and medium enterprises becoming the pillars of economic growth and change. Start up firms has no choice but to enter foreign markets from their inception, given the market globalization in demand and supply. The entrance of a company on the market itself allows for a significant opportunity, so long as said company possesses the proper readiness which grants it the chance to develop entrepreneurial activities (business) in the international markets. To take advantage of the opportunities requires sufficient preparation and information about the specifics and particularities of the market.

The entrance of a company on the market itself allows for a significant opportunity, so long as said company possesses the proper readiness which grants it the chance to develop entrepreneurial activities (business) in the international markets. To take advantage of the opportunities requires sufficient preparation and information about the specifics and particularities of the market. Most of entrepreneurial subjects are becoming aware of the necessity of the development of international entrepreneurial activities. Enterprises which have decided to get involved into international entrepreneurship have to be aware not only of entrepreneurial opportunities, but also risks to which international entrepreneurship is related. Non-risking or avoiding the risk does not usually lead to better economic results, but to the non-use of entrepreneurial opportunities. What is seen as decisive for the economic decision making is the impact of the risk on the total economic result of the entrepreneurial subject. Expressed by the value, risk presents a possibility of arising a loss as a consequence of unanticipated expenses, failing to achieve the anticipated revenues or as a consequence of value deterioration. However, on the other hand, there is a possibility of reaching higher revenues or lower costs in comparison with the original assumption. According to the research, the model born global company must then comply with the criteria: the beginning of foreign activities, number of geographical regions and ratio of foreign sales. These criteria were fulfilled by four companies. Factors that significantly contribute to and influence the process of entering international markets are the target foreign market knowledge and the level of costs connected with the realization of foreign entrepreneurial activities.

## References

- Baronchelli, G. (2008). Internationalization of the Firm: Stage Approach vs. Global Approach. *Global Conference on Business & Economics*, 1-33.
- Johanson, J. & Vahlne, J.-E. (2009). The Uppsala Internationalization Process Model Revisited: From Liability of Foreignness to Liability of Outsidership. *Journal of International Business Studies*, vol. 40, no. 9, 1411-1431.
- Johanson, J. & Wiedersheim-Paul, F. (1975). The Internationalization of the Firm – Four Swedish Cases. *Journal of Management Studies*, vol. 12, no. 3, 305-323.
- Knight, G. A. (1997). *Emerging Paradigm for International Marketing: The Born Global Firm*. Michigan: Michigan State University.
- Knight, G. A. & Cavusgil, S. T. (1996). The Born Global Firm: A Challenge to Traditional Internationalization Theory. *Advances in International Marketing*, vol. 8, 11-26.
- Lopez, L. E., Kundu, S. K. & Ciravegna, L. (2009). Born Global or Born Regional? Evidence from an Exploratory Study in the Costa Rican Software Industry. *Journal of International Business Studies*, vol. 40, no. 7, 1228-1238.
- McKinsey & Co. (1993). *Emerging Exporters: Australia's High Value-Added Manufacturing Exporters*. Melbourne: Australian Manufacturing Council.
- Oviatt, B. M. & McDougall, P. P. (1994). Toward a Theory of International New Ventures. *Journal of International Business Studies*, vol. 25, no. 1, 45-64.
- Rennie, M. W. (1993). Born Global. *The McKinsey Quarterly*, vol. 4, 43-52.
- Vernon, R. (1966). International Investment and International Trade in the Product Cycle. *Quarterly Journal of Economics*, vol. 80, no. 2, 190-207.
- Andersen, O. (1993). On the Internationalization Process of Firms: a Critical Analysis. *Journal of International Business Studies*, vol. 24, no. 2, pp. 209 – 231.
- Bilkey, W. J. & Tesar, G. (1977). The Export Behavior of Smaller Wisconsin Manufacturing Firms. *Journal of International Business Studies*, vol. 9 (Spring/Summer), 93-98.
- Cavusgil, S. T. (1980). On the Internationalization Process of Firms. *European Research*, vol. 8 (November), 273-281.
- Czinkota, M. R. (1982). *Export Development Strategies: US Promotion Policies*. New York: Praeger Publishers.
- Dalli, D. (1994). The Exporting Process: the Evolution of Small and Medium Sized Firms

- Toward Internationalisation. *Advances in International Marketing*. Greenwich: JAI Press, pp. 85 – 110.
- 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*, vol. 8, no. 1, pp. 23 – 32.
- Lim, J. S., Sharkey, T. W. & Kim, K. I. (1991). An Empirical Test of an Export Adoption Model. *Management International Review*, vol. 31, no. 1, 51-62.
- Morgan, R. E. & Katsikeas, C. S. (1997). Theories of International Trade, Foreign Direct Investment and Firm Internationalization: a Critique. *Management Decision*, vol. 35, no. 1, 68-78.
- Rao, T. R. & Naidu, G. M. (1992). Are the Stages of Internationalisation Empirically supportable? *Journal of Global Marketing*, vol. 6, no. 1, 147-170.
- Reid, S. D. (1981). The Decision-Maker and Export Entry and Expansion. *Journal of International Business Studies*, vol. 12 (Fall), 101-112.
- Rogers, E. M. (1962). *Diffusion of Innovations*. New York: The Free Press.
- Simmonds, K. & Smith, H. (1968). The First Export Order: A Marketing Innovation. *British Journal of Marketing*, vol. 2, Summer, 93-100.
- Wortzel, L. H. & Wortzel, H. V. (1981). Export Marketing Strategies for NIC- and LDC- Based Firms. *Columbia Journal of World Business*, vol. 16, no. 1, 51-59.
- Zaltman, G. & Stiff, R. (1973). *Theories of Diffusion. Consumer Behaviour: Theoretical Sources*. Englewood Cliffs: Prentice Hall, 416-468.