Exploring the role of the entrepreneur in retail SME internationalisation: an analysis of retail cases in North-Western Europe

by

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Submitted for the Degree of Doctor of Philosophy

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DECLARATION OF ORIGINALITY

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ABSTRACT

While the international business literature increasingly sees SME internationalisation as the act of the entrepreneur, the retail management literature lacks insights into the role of the entrepreneur in retail SME internationalisation. Neither entrepreneurial characteristics nor actions are sufficiently understood. A critical research gap relates to entrepreneurial marketing and management of brand identity – a key resource enabling differentiation – as well as networking that helps overcoming resource and competence deficiencies. This thesis seeks to advance the retail management literature by putting the entrepreneur in the centre of attention. Recent debates on international entrepreneurship in combination with those on the dynamic capabilities-based view are integrated. In doing so, it is aimed for a focussed exploration of entrepreneurial characteristics and marketing- and networking-related dynamic capabilities, and how these underpin retail SME internationalisation.

This thesis adopts an exploratory inductive research design, including 54 interviews with industry-experts and elite informants from nine North-Western European retail SMEs. It identifies international experiences, international entrepreneurial orientation and learning orientation as vital characteristics that inform internationalisation decision-making and problem-solving. Through specific marketing-related dynamic capabilities, the entrepreneur coherently re-creates and renews brand identity in international markets. In doing so, he/she stimulates differentiation and superior competitiveness. Identified entrepreneurial networking-related dynamic capabilities do not directly contribute to differentiation and competitiveness. Instead, they are found to promote marketing-related capabilities. Building upon these results, this study develops the first academic framework depicting retail SME internationalisation as a process driven by the entrepreneur.

This study clarifies the role of the entrepreneur in retail SME internationalisation, moving beyond the retail management literature’s previous firm-level focus. It thus closes a critical research gap. The international business literature benefits from called-for empirical substantiation of the dynamic capabilities-based view. Practitioners learn how specific entrepreneurial characteristics and actions inform successful internationalisation, stimulating critical reflection of own practices.
DEDICATION

This dissertation is dedicated to my husband, who not only supported me immensely but also showed incredible patience throughout this journey.
ACKNOWLEDGEMENTS

Foremost, I would like to express my sincere thanks to my supervisors, Professor Dr Andrew Alexander and Professor Dr Steve Wood, for their invaluable guidance and support over the last few years. Writing a thesis both part-time and long-distance was surely a great challenge that required considerable extra efforts from both student and supervisors. Both of you, to the same extent, were there to read, comment and discuss my work – even after regular office hours to comply with my working schedule. I am immensely grateful for this joint supervision and flexibility of yours.

Most importantly, I am grateful for the support provided by my husband, Mama, Papa and Hendrik. Words cannot express how much your support meant to me, but be sure that this PhD would not have been possible without you. I am also grateful for your patience and leniency. This doctoral thesis took much longer than initially expected and I missed out on a lot of quality time. I know that this absence of mine not only caused sorrow on my but also your side. I can only try to make it up to you.

Special Thanks further go out to my extended family as well as my family-in-law. In particular, I would like to thank Manfred for proof-reading much of my work.

Finally, I would like to thank those who helped me get access to firms and those who gave up their time to actively participate in my study. The stories you shared with me are the very foundation of this doctoral thesis.
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<td>BI</td>
<td>Brand identity</td>
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<tr>
<td>CF.</td>
<td>Confer/conferatur – Latin for ‘compare’</td>
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<tr>
<td>DC</td>
<td>Dynamic Capability</td>
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<tr>
<td>DCV</td>
<td>Dynamic capabilities-based view</td>
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<tr>
<td>E.G.</td>
<td>Exempli gratia – Latin for ‘for example’</td>
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<td>IE</td>
<td>International entrepreneurship</td>
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<td>IEO</td>
<td>International entrepreneurial orientation</td>
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<td>LO</td>
<td>Learning orientation</td>
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<td>MNE</td>
<td>Multinational enterprise</td>
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<td>RBV</td>
<td>Resource-based view</td>
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<tr>
<td>SME</td>
<td>Small- to medium-sized enterprise</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>VM</td>
<td>Visual Merchandising</td>
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<td>VRIN</td>
<td>valuable, rare, imperfectly imitable, non-substitutable</td>
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<td>VS.</td>
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1 INTRODUCTION

1.1 Relevance of study to practice

More than 99% of all enterprises within the European Union (EU) are SMEs with wholesale and retail trade being one of the five most important non-financial SME business sectors for employment and value added. Clearly then, retail SMEs and their sustained business development are vital for economic stability in the EU (see European Commission, 2016). Especially internationalised SMEs tend to foster economic stability since they are more competitive than non-internationalised SMEs. They benefit from higher business sustainability in the long term and a positive direct relation between international SMEs and both growth and jobs (European Commission, 2010). Despite the development of the enlarged single European market and globalisation at large, European SMEs still strongly depend on sales generated within their home market (European Competitiveness and Sustainable Industry Policy Consortium, 2013; European Commission, 2007, 2016). It is therefore concluded that Gardó, García and Descals' (2015: 185) claim that “[t]he need for retailers to internationalise is a growing reality in developed markets” applies to European retail SMEs. It is clear that “[r]etailers who presume that global expansion will be easy or that their winning formula at home will translate easily abroad are likely going to make some painful mistakes” (Ebeltoft Group, 2013: 2).

Considering the large number of internationalised European SMEs and the relation between internationalisation and SME competitiveness as described above, this study’s insights into a key driver of sustained retail SME internationalisation – the entrepreneur – are of relevance for practice. This thesis explores specific entrepreneurial characteristics as well as capabilities in the contexts of marketing and networking behind North-Western European retail SMEs that have successfully expanded into international markets. Entrepreneurs may leverage the results of this thesis to become aware of and then critically reflect upon the role of own characteristics in decision-making and problem-solving during retail SME internationalisation. Entrepreneurs who are planning to internationalise their retail SME business are given an idea of how successful entrepreneurs have sensed international opportunities. Practitioners who already expanded their business into international markets can compare their own actions with the entrepreneurial capabilities described in this study, potentially learning how to advance the ways they seize international opportunities.
1.2 Theoretical background

Alexander and Doherty (2010: 936) postulate that "international retailing is reasonably well understood". While this notion might hold true in terms of conceptualising the internationalisation process of retail MNEs (multinational enterprises) (e.g. Alexander and Doherty, 2009), it does not describe the state of knowledge on retail SMEs (small- to medium-sized enterprises). To date, the retail management literature has paid only limited attention to retail SMEs. Instead, scholars have typically focussed on the internationalisation of larger retail firms (e.g. Alexander and Doherty, 2010; Vida, Reardon and Fairhurst, 2000). Resulting insights on retail MNE internationalisation are of limited benefit for the understanding of retail SME internationalisation as scholars agree that SMEs are not just simply smaller versions of large firms (e.g. Hollenstein, 2005; Shuman and Seeger, 1986).

Only since the mid-2000s have retail SMEs started to gain some attention from scholars within the retail management literature. Literature on international retailing can thus provide only a few valuable initial insights into the driving forces underpinning retail SME internationalisation. A study by Hutchinson et al. (2007) was among the first to explore the issue of SME internationalisation in-depth and to provide such insights by identifying the key driving factors of retail SME internationalisation. Most notably, they identify the brand identity to be a key driver of retail SME internationalisation. Overall, however, Hutchinson and Quinn (2012: 107) make clear that "research that explores the internationalisation of [small] specialist retailers is surprisingly sparse given the numbers of specialist retailers with international operations".¹ The small number of studies makes it difficult to assess the level of generalisability of current knowledge. With the few studies on retail SME internationalisation primarily focused on retail SMEs from the UK market, other markets have not received sufficient attention in the academic literature to date (Hutchinson and Quinn, 2012). Content-wise, quite specific knowledge gaps remain.

1.3 Research gaps and relevance of the study to academia

Whilst initial studies’ broad perspective on retail SME internationalisation and their contribution is acknowledged, an in-depth understanding of drivers of retail SME internationalisation has yet to develop. This particularly concerns the role of the entrepreneur (e.g. Hutchinson et al., 2007). Knowledge on both entrepreneurial characteristics and entrepreneurial actions remains limited and fragmented. With respect to entrepreneurial characteristics, this study identifies a

¹ Please note that retail SMEs are also referred to as small specialist retailers. Section 2.2.1 in Chapter Two provides further information on the issue of terminology and lays bare this study’s understanding of a retail SME.
research gap in relation to entrepreneurial experiences, learning orientation as well as innovativeness, proactivity and risk-taking as components of the international entrepreneurial orientation construct (see also Covin and Miller, 2014; Jones and Casulli, 2014). Further, while various authors explore how the entrepreneur shapes brand identity (e.g. Doole and Lowe, 2008; Kent and Stone, 2007), the understanding of the entrepreneurial marketing and management of brand identity remains underdeveloped (e.g. Mitchell et al., 2015). It is stressed more widely that “mechanisms of brand identity transfer are far from understood” (Tarnovskaya and de Chernatony, 2011: 600). There also is a shortage of specific insights into entrepreneurial networking. Whilst there are some insights into networking that supports market access, especially networking in more advanced stages of retail SME internationalisation, e.g. market development, remains under-developed. This also concerns in-depth study of entrepreneurial networking related to the leverage of marketing support networks (cf. Mitchell, Hutchinson and Bishop, 2012). Thus, research on entrepreneurial marketing and management as well as entrepreneurial networking during retail SME internationalisation is particularly required. The call for such SME-specific retail internationalisation research is amplified within the research areas of retail branding, the wider branding as well as the wider international business literature on SMEs’ international business development (e.g. Fetscherin and Usunier, 2012; Moore and Doyle, 2010; Ruzzier, Antoncic and Hisrich, 2006).

In order to obtain an advanced understanding of the role of the entrepreneur, this study draws on the international business literature where appropriate and applies an international entrepreneurship perspective to the study of retail SME internationalisation. The international business literature considers international entrepreneurship as particularly promising to advance the understanding of SME internationalisation. International entrepreneurship, in connection with a resource-based view (RBV) and a dynamic capabilities-based view (DCV), offers the possibility to focus on the individual entrepreneur as the unit of analysis and to combine aspects of the entrepreneurship, international business and international marketing debate (e.g. Coombs, Sadrieh and Annavarjula, 2009). More specifically, this approach considers the entrepreneur and his/her unique characteristics to be part of a company’s resource base (e.g. Alvarez and Busenitz, 2001; Rangone, 1999). It is the entrepreneur’s dynamic capabilities that focus on the generation, integration, reconfiguration and release of resources such as brand identity, thus serving the exploration and exploitation of international opportunities (e.g. Barney, 1991; Eisenhardt and Martin, 2000; Teece, Pisano and Shuen 1997).
Although an international entrepreneurship perspective is considered promising to advance the understanding of SME internationalisation, conceptualisations are still mostly applied to larger organisations and lack sufficient empirical substantiation (e.g. McAuley, 2010; Keupp and Gassmann, 2009; Peiris, Akoori and Sinha, 2012). Following the under-development of SME internationalisation as an entrepreneurial act within both the retail management and international business literature, an empirical study that applies an international entrepreneurship lens to retail SME internationalisation is of academic relevance.

1.4 Purpose and scope of the study

This research goes beyond previous studies’ rather holistic perspectives towards retail SME internationalisation by applying a targeted international entrepreneurship lens. The entrepreneur is made the main object of this research. Against this background, firstly, this study aims to identify the particular characteristics of entrepreneurs that underpin the ways entrepreneurs explore and exploit international opportunities. Secondly, the specification of entrepreneurial dynamic capabilities in the contexts of marketing and networking is targeted. With regards to marketing-related dynamic capabilities, this study seeks to explore how the entrepreneur re-creates and renews brand identity as a key resource. In relation to networking-related dynamic capabilities, particular focus is on how the entrepreneur leverages his/her network to explore and exploit international opportunities. In line, the primary research questions are:

**Research Question 1:** How do the entrepreneur’s characteristics inform entrepreneurial decision-making and problem-solving in retail SME internationalisation?

**Research Question 2:** How do the entrepreneur’s marketing-related dynamic capabilities re-create and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?

**Research Question 3:** How do the entrepreneur’s networking-related dynamic capabilities re-create and renew a firm’s resource base, building and maintaining retail SME internationalisation?

By applying a qualitative exploratory research approach, most notably an interview study design, this study seeks to provide in-depth answers to these research questions. In doing so, significant research gaps as outlined above are addressed with respect to the role of the entrepreneur in retail SME internalisation. This study thus contributes to both the retail management and international business literature.
1.5 Structure of the study

Following this introductory chapter, Chapters Two and Three provide the theoretical foundation for this study by reviewing the retail management and the international business literature on SME internationalisation. An understanding of the core drivers of retail SME internationalisation is developed, which leads to the conclusion that it is particularly the role of the entrepreneur that is considered an interesting avenue for future research. Chapter Four merges the insights from Chapters Two and Three by presenting a conceptual framework that sets the scale and scope for this study.

Chapter Five presents the methodology adopted for this research. The research philosophy underpinning this study is elaborated. Details of a qualitative inductive approach and interview study design including data collection and data analysis techniques are then discussed.

Findings of this study are presented in Chapters Six, Seven and Eight. Chapter Six presents empirical outcomes regarding entrepreneurial characteristics that inform entrepreneurial decision-making and problem-solving (~ Research Question 1). Chapter Seven states findings on entrepreneurial marketing-related dynamic capabilities (~ Research Question 2). Chapter Eight details the results on entrepreneurial networking-related dynamic capabilities (~ Research Question 3).

Chapter Nine provides a discussion of the findings presented in Chapters Six, Seven and Eight with reference to retail management and international business literature as well as relevant retail branding and wider branding literature. Contextualised findings serve to advance the framework suggested in Chapter Four.

Chapter Ten presents the conclusion. Major findings of this study and their contribution to theory and practice are noted. Limitations of this study and avenues for future research are developed.
2 REVIEW OF THE RETAIL MANAGEMENT LITERATURE ON SME INTERNATIONALISATION

2.1 Introduction to retail SME internationalisation

Numerous conceptual frameworks identifying the driving forces that underpin retail internationalisation have been developed (e.g. Alexander and Myers, 2000; Sternquist, 1997; Vida and Fairhurst, 1998). Yet to date, the body of knowledge on retail internationalisation has focused primarily on large organisations, so called multinational enterprises (MNEs) (Hutchinson and Quinn, 2012). While studies on MNEs present valuable insights into the general process of internationalisation, it is questionable whether their findings can be transferred into an SME setting given they are not simply smaller versions of large firms – but exhibit different characteristics (e.g. Hollenstein, 2005; Shuman and Seeger, 1986).

Differences in size and resources can determine differences in the internationalisation across firms. It is stressed that SMEs differ from large firms in terms of both financial and managerial resources (Dhanaraj and Beamish, 2003). In the context of internationalisation, particularly SMEs suffer from financial shortfalls and insufficient management capacity (Couto and Ferreira, 2017; Hollenstein, 2005; Shuman and Seeger, 1986). Against this background, SMEs' international business development is often dependent on the commercialisation of a single product in international markets and low-cost branding strategies (Couto and Ferreira, 2017; Weerawardena et al.; 2007). Consequently, SMEs cannot compete within international markets on the basis of a multitude of tangible assets. Instead, SMEs “can only compete on intangible resourcefulness, that is, the ability of doing more with less” (Peng, 2001: 817).

Research on retail SME needs to address the size-specific characteristics and resource base, and how these can lead to different opportunities and strategies for international development (Hutchinson, Quinn and Alexander, 2005).

Literature on retail management can provide a few valuable initial insights into the driving forces underpinning retail SME internationalisation. Chapter Two reviews those insights and specifies research gaps of particular relevance for the advancement of the retail management literature. First, a definition of the terms ‘retail SME’ and ‘retail SME internationalisation’ is developed. The main part of Chapter Two then discusses and contextualises the core drivers of retail SME internationalisation: the brand identity and the entrepreneur. The entrepreneur is
established to be a particularly promising focus to advance the understanding of retail SME internationalisation.²

2.2 Moving towards a distinctive understanding of retail SME internationalisation and its drivers

International retailing research is a comparatively young research area (e.g. Alexander and Doherty, 2009; Alexander and Doherty, 2010; Chan, Finnegan and Sternquist, 2011). Only since the 1990s has international retailing research moved more substantially from a broader perspective and one concerned with classifying international retailing activity to a focus on specific issues of retail internationalisation. In this context, the driving forces underpinning retail internationalisation have been one of the main themes (Alexander and Doherty, 2010; Moore and Fernie, 2004). In relation to SMEs, an understanding of retail internationalisation in the non-food sector and its drivers is yet developing (e.g. Hutchinson et al., 2007).

2.2.1 Defining “international retail SME”

Similar to the international business literature (McAuley, 2010), the retail management literature to date lacks a consistently adopted and commonly accepted definition of international retail SMEs. The term “retail SME” is used inconsistently. Yet, key characteristics associated with internationally operating retail SMEs from the non-food sectors – the focus of this study – are identifiable. These characteristics and thus classifications of retail SMEs largely share two foci: financial performance measures and more general characteristics.

In relation to performance, scholars particularly focus on yearly turnover and largely refer to guidelines provided by the European Commission (EC) in defining the SME. Earlier contributions draw on a SME definition developed by the European Commission in the early 2000s (see Table 2-1). A more recent contribution by Christmann, Alexander and Wood (2015) draws on a revised definition provided by the European Commission, which considers the turnover – less than €50 million – or the total of the balance sheet of a company – less than €43 million – as an important factor in defining an SME. The number of employees – less than 250 employees – represents another factor. More general characteristics further inform the understanding of an international retail SME, most notably a retail presence within international markets, whereby the headquarters remain in the home market. Considering size-related measures as

² It is acknowledged here that the literature streams discussed in Chapter Two (mainly retail management) and those reviewed in Chapter Three (mainly international entrepreneurship) are not mutually exclusive.
laid out in recent definitions by the European Commission (2005, 2013) and more general characteristics, the current study adopts the following definition of an international retail SME:

An internationally operating retail SME is a retailer with a retail presence within and outside the home market. This retail SME generates a yearly turnover of less than €50 million or a balance sheet total of less than €43 million and has a headcount of less than 250 employees.

Table 2-1 provides an overview of the different factors informing the definitions and case selection criteria of SMEs within the retail management literature.

**Table 2-1: Characteristics informing the definition and case selection of SMEs in the retail management literature**

<table>
<thead>
<tr>
<th>Authors</th>
<th>Terms</th>
<th>Size-related measures</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hutchinson, Quinn and Alexander (2006a)</td>
<td>SME retailer, retail SME</td>
<td>European Commission (2003) SME definition</td>
<td>Physical presence both within and outside the home market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sales turnover less than £25 million</td>
<td>Head office in the home market</td>
</tr>
<tr>
<td>Hutchinson, Quinn and Alexander (2006b)</td>
<td>Retail SME</td>
<td>European Commission (2000) SME definition</td>
<td>Physical presence both within and outside the home market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maximum sales turnover of £24 million</td>
<td>Head office in the home market</td>
</tr>
<tr>
<td>Hutchinson et al. (2007)</td>
<td>Small specialist retailer</td>
<td>European Commission (2000) SME definition</td>
<td>Physical presence both within and outside the home market</td>
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<td></td>
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<td>Sales turnover less than £24 million</td>
<td>Head office in the home market</td>
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<td>Hutchinson and Quinn (2012)</td>
<td>Small specialist retailer</td>
<td>European Commission (2000) SME definition</td>
<td>Physical presence both within and outside the home market</td>
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<td></td>
<td></td>
<td>Sales turnover less than £24 million</td>
<td>Head office in the home market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Headcount of less than 250 people Turnover of less than €50 million</td>
<td>Head office in the home market</td>
</tr>
</tbody>
</table>

Source: Own compilation of mentioned sources.
It is important to note that this study appreciates the foregoing definition as a generic understanding of an internationally operating retail SME. It reserves the right to evolve towards country-specific understandings of retail SMEs when developing selection criteria for data collection. Size-related measures of SMEs as provided by the European Commission (2005, 2013) are not appropriate for each member state of the European Union. For example, understandings of SMEs developed in Germany and the United Kingdom (UK) include firms of larger size in terms of both turnover and number of employees (see IfM, 2016; Swoboda and Olejnik, 2016; United Kingdom Government Department for Business, Innovation and Skills, 2012). Considering country-specific variations of SME definitions, modifications, respectively a softening, of size-related measures might be required during case selection. The European Commission (2005) itself considers the use of its own definition as voluntary.

2.2.2 Defining “retail SME internationalisation”

Various definitions of retail internationalisation have been suggested and discussed over the years. While earlier versions were largely shaped by the wider international business and international marketing literature, the 1990s saw the development of retail-specific definitions, which take into consideration the different dimensions of retailing (e.g. Dawson, 2007; Moore and Fernie, 2004). Providing a retail-specific outlook on internationalisation, Dawson (1994), amongst others, understands international retailing as the operation of shops or other distribution methods in more than one country and, consequently, retail internationalisation as a market-serving strategy. The internationalisation of retail operations is the most obvious dimension, which allows external observers to easily identify the international retailer (Moore and Fernie, 2004). Thereby, international retailing not only concerns the operation of physical retail stores but also online stores (e.g. Foscht, Swoboda and Morschett, 2006). In accordance, this study provides the subsequent definition:

Retail SME internationalisation is a market-serving process with the operation of shops outside the home country as its most visible manifestation (online and physical).

Underpinning such a market-serving strategy is “the transfer of retail management technology or the establishment of international trading relationships” according to Alexander and Doherty (2009: 12). In line, Dawson (2007) considers the process of internationalisation to be multidimensional and to address all elements of the entire company-value chain including logistics, property management and customer relationship management in addition to the aspects mentioned above.
2.2.3 The nature of retail SME internationalisation

Research at the beginning of the 21st century rejects a simplistic approach towards the nature of retail internationalisation by emphasising the “refined and highly developed” motivations underpinning retail internationalisation (Moore and Fernie, 2004: 13). In doing so, there is something of a distancing from an ‘either-or-position’ towards retail internationalisation – the discussion whether reactive or proactive motivations determine foreign market expansion (Alexander, 1995; Alexander and Doherty, 2010). Research on retail SME internationalisation acknowledges both reactive and proactive motivations. Hutchinson et al. (2007) were among the first to explore the internationalisation of British retail SMEs particularly aiming to identify the key motives and facilitating factors behind the decision to internationalise. They identify a proactive nature of internationalisation and observe an opportunistic approach towards international business development. Other contributions likewise emphasise the predominance of proactivity, but also note reactive motivations amongst British retail SMEs (e.g. Hutchinson, Quinn and Alexander, 2006a). A study by Christmann, Alexander and Wood (2015) on a German retail SME identifies a shift from an initially reactive motivation to later planned stages of internationalisation being proactively approached. A nuanced view towards retail SME internationalisation is developing.

Whilst a simplistic approach towards the nature of retail SME internationalisation is rejected and both reactive and proactive motivations are noted, a high prevalence of elaborations on proactivity is observed in research on retail SME internationalisation (e.g. Hutchinson, Quinn and Alexander, 2006a). The highlighting of a proactive approach is closely related to the identification of the brand identity as a key driver of retail SME internationalisation. The uniqueness of brand identity creates a pull into international markets (Hutchinson et al., 2007).

2.3 The key role of the brand identity in retail SME internationalisation

Initial contributions on retail SME internationalisation find that brand identity is a key driver of retail SME internationalisation as it enables differentiation from competition during international business development (e.g. Hutchinson, Quinn and Alexander, 2005; for a definition of brand identity see section 2.3.2.1 in Chapter Two). These results are similar to developments within the fashion retailing literature, which likewise emphasises the power of the fashion retail brand during internationalisation (Ailawadi and Keller, 2004; McColl and Moore, 2011; Moore, Fernie and Burt, 2000; Staake, Thiesse and Fleisch, 2009). It follows logically that various authors posit the brand as one of the most omnipresent and fascinating
phenomena of the twenty-first century (e.g. Balmer, 2010; Balmer and Gray, 2003; Fletscherin and Usunier, 2012).

2.3.1 From internationalising products and services to internationalising the brand

Retail SME internationalisation is stimulated by the asset-based advantages of a retail brand. More specifically, the international appeal of a retail SME brand resides in its uniqueness. This then enables the clear differentiation from competition and provides the retail SME with an individual competitive advantage. The characteristics of uniqueness and corresponding differentiation are frequently closely related to a niche market specialisation strategy (Hutchinson et al., 2007; Hutchinson, Quinn and Alexander, 2005, 2006a). Such a strategy relates to the serving of a clearly defined market segment, as opposed to the mass market, based on a single-product, single-client or single-theme focus. This then stimulates international market appeal, enabling the proactive and opportunistic expansion into both psychically close and psychically distant markets (Hutchinson, Quinn and Alexander, 2005, 2006a). In line, Simpson and Thorpe (1995, 1997) more widely recognise the factor “niche” as one amongst four factors to be of strategic relevance for the internationalisation of specialist retailers. The international business literature has also observed the serving of a niche market during SME internationalisation with some scholars even arguing that a niche strategy not only enables companies to compete with companies of similar size but also of larger size (e.g. Merrilees and Tiessen, 1999; Toften and Hammervoll, 2009).

Insights into retail SME internationalisation show similarities to results on retail internationalisation in the wider specialist retailing and fashion retailing literature, especially in relation to the key role of the brand. The fashion retailing literature increasingly observes that the distribution of products and services is becoming insufficient for successful foreign market expansion (Alexander and Doherty, 2009). Fernie et al. (1997) explain that, in light of the industrial revolution in Europe, advanced technology enabled the easier reproduction of garments. This has led to an increase in counterfeit products. The uniqueness and distinctiveness of a brand has become essential for fashion retailers' differentiation from competition. The central role of the fashion retail brand in providing competitive advantage in retailers' national and international development and growth has become increasingly evident (Burt, 2010; Ailawadi and Keller, 2004; Bridson and Evans, 2004; Fernie, Moore and Lawrie, 1998; Fernie et al., 1997). Brand-orientation stimulates a potential competitive advantage and international success, not only within fashion retailers but also retailers of other categories (Bridson and Evans, 2004; Bridson et al., 2013; Williams, 1992).
While acknowledging similarities as outlined above, understanding the drivers of retail SME internationalisation goes beyond the fashion retailing literature’s notion that “the internationalisation process has become one of internationalising the brand” (Alexander and Doherty, 2009:102). In particular, the brand identity is considered to be a key resource for international business development (Hutchinson et al., 2007). With a few exceptions (e.g. Fernie et al., 1997), previous studies on the internationalisation of retailers largely seem to have neglected, or at least not fully specified, the two-dimensional approach of the brand (Burt and Davies, 2010; de Chernatony, 1999; Urde, 1999).

2.3.2 From internationalising the brand to internationalising the brand identity

The brand identity is identified as the key motivator for retail SME internationalisation (e.g. Hutchinson and Quinn, 2012; Hutchinson et al., 2007). Hutchinson et al. (2007: 107) observe that “a clearly defined brand identity carved out niche opportunities” for retail SMEs with limited resources as opposed to simply the brand. In doing so, significant importance is placed on marketing-related drivers of SME internationalisation stemming from within the organisation. The retail branding literature similarly accentuates multiple facets of the brand concept, emphasising how the conceptualisation of the retail brand has shifted over time with an increased interest in the organisational dimension: “from the product as a brand to the store as a brand and most recently to the organisation as a brand” (Burt and Davies, 2010: 865). Put differently, retail branding is moving from “what” is communicated to “how” it is communicated.

2.3.2.1 Brand identity – a definition

Specification of the brand identity indicates a two-dimensional understanding of the brand concept, which includes brand identity and brand image. Brand identity shows an internal, respectively inside-out, perspective on the brand, while brand image represents an external, respectively outside-in, perspective (Burmann, Hegner and Riley, 2009; Burmann, Zeplin and Riley, 2009; Burt and Davies, 2010). The branding literature defines brand identity as a

"form of group identity, which is expressed by a set of commonly shared values, competences, origin, vision, communication style and behaviour [which]... demarcates and differentiates the internal target group of a particular brand and therefore creates the substance of a brand" (Burmann, Hegner and Riley (2009: 115).

Emphasising the internal perspective of managers or employees on the brand construct, the organisation creates a brand promise and related brand behaviour. Consumers process information in relation to the brand promise and brand behaviour and, in doing so, develop brand expectations and take part in brand experience – they create a brand image.
(Burmann, Hegner and Riley, 2009; Burmann, Zeplin and Riley, 2009). So, the brand image represents the current associations, beliefs, expectations and experiences in relation to the brand from a customer perspective (Burmann, Hegner and Riley, 2009; Burmann, Zeplin and Riley, 2009; Burt and Davies, 2010). If the consumer considers human characteristics in the construction of a retail brand image, one can speak of the formulation of a retail brand personality (see Jackson, 2004; Zentes, Morschett and Schramm-Klein, 2008).

While one can clearly differentiate between the internal and external perspective of the brand concept, both brand identity and brand image are part of an iterative and interdependent process that ultimately determines the development of so-called brand equity (Burmann, Hegner and Riley, 2009; Burmann, Zeplin and Riley, 2009). Brand equity is understood as the present and future valorisation of the brand (Burmann, Zeplin and Riley, 2009). If the brand promise, brand behaviour, brand expectation and brand experience match, this leads to customer satisfaction and loyalty (Burmann, Hegner and Riley, 2009).

Whilst the characteristics of an internationally operating retail SMEs incorporate both brand image and brand identity, studies on retail SME internationalisation typically emphasise the internal dimension of the brand concept (e.g. Hutchinson et al., 2007). This follows logically since the brand identity is understood to be the substance of the brand concept and to determine the psychological and behavioural brand equity in strategic and operative brand management (Burmann, Hegner and Riley, 2009; Burmann, Zeplin and Riley, 2009; Zaichkowsky, 2010).

2.3.2.2 Brand identity – a primary basis for competitive advantage

Hutchinson et al. (2007:114) suggest that a competitive advantage, which enables retail SMEs to proactively develop niche opportunities in international markets, is based on “brand identity with associated connotations of luxury product image, market appeal, original lifestyle concept, niche market opportunities, and a global relevance”. Christmann, Alexander and Wood (2015) find that the proactive and opportunistic international business development of a German retail SME resides in the origin and competence dimensions of brand identity: exceptional craftsmanship, respectively a superior-to-competition product competence, in combination with the German origin and its associations with quality, tradition, reliability and functionality informs brand promise and brand behaviour. The retail management and retail branding literature likewise stress the role of brand identity and presents the brand identity as a strategic tool to provide a degree of market differentiation (Burt and Davies, 2010; Burt and Sparks, 2002). Retail-related research on brand identity and its role as a key driver is further consistent with studies generated in strategic brand management and wider
international business literature (e.g. Aaker, 1991; Ambimbola and Kocak, 2007; Urde, 1999; Vlachvei et al., 2012).

Figure 2-1 visualises the previously discussed role of the brand identity as a key differentiator during retail SME internationalisation.

**Figure 2-1: Brand identity and brand image in retail SME internationalisation**

![Diagram showing the relationship between brand identity, brand promise, brand behaviour, brand expectation, brand experience, and brand image in retail SME internationalisation.]

Source: Own design, adapted from Burmann, Hegner and Riley (2009: 116).

Various studies on the link between the brand and competitive advantage employ the so-called resource-based view (RBV) of competitive advantage and the corresponding notion of market-orientation through differentiation (e.g. Ambimbola and Kocak, 2007; Balmer and Gray, 2003; Bridson et al., 2013; Craig et al., 2008; Spence and Essoussi, 2010; Urde, 1999). The RBV of competitive advantage developed within the field of strategic management and identifies two ways to compete successfully in a business context: a cost-orientation approach through cost leadership and a market-orientation approach through differentiation (Box and Miller, 2011; Lerchner and Gudmundsson, 2014; Porter, 1980).³

With regards to market-orientation through differentiation, the RBV considers the firm as a ‘bundle of resources’ with resources typically referred to as stocks of tangible and intangible factors including assets, capabilities, processes, routines and knowledge (Barney, 1991; Peiris, Akoori and Sinha, 2012). The RBV stresses that in the case of valuable, rare, imperfectly

³ Please note that at least three alternatives in terms of positioning the RBV exist (see Barney, 2001; Peteraf and Barney, 2003).
imitable, and non-substitutable resources (VRIN), the firm differentiates itself from competition and achieves competitive advantage and potentially even sustained competitive advantage (e.g. Peteraf and Barney, 2003; Teece, 1997). Barney (1991: 102) explains the difference between competitive and sustained competitive advantage:

“[A] firm is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by current or potential competitors. A firm is said to have a sustained competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy.”

Consequently, the current study considers the brand identity to be a valuable, rare, imperfectly imitable and non-substitutable resource. It is the key component of a value creating strategy based on differentiation, leading to competitive or even sustained competitive advantage in retail SME internationalisation. Interestingly, while studies include references to academic articles on sustained competitive advantage or address the sustainability of the process and growth of internationalisation in relation to differentiation (e.g. Bridson et al., 2013; Tarnovskaya, Elg and Burt, 2008; Vida, Reardon and Fairhurst, 2000), the explicit consideration of sustained competitive advantage remains largely absent from the retailing literature. In contrast, the concept of competitive advantage “has been central to all models of internationalisation in nearly all marketing, management, and economics literature” (Vida, Reardon and Fairhurst, 2000: 40).

2.4 The key role of the entrepreneur in retail SME internationalisation

Although the brand identity has been identified as a key motivator and differentiator for retail SME internationalisation, scholars agree that it is not the brand identity itself that drives retail SME internationalisation. The crucial role of other facilitating factors and parent-firm advantage is stressed (e.g. Hutchinson, Quinn and Alexander, 2006 a, b). One factor that receives particular attention in the academic literature on retail SME internationalisation is the role of the entrepreneur. For example, Hutchinson et al. (2007: 111) state:

“For some smaller specialist retailers, given the role of key personnel in initiating the international expansion of the company, it may be concluded that the internationalisation decision-making process is the entrepreneurial act of the owner/manager”.

Other studies on retail SME internationalisation also identify the entrepreneur as an important dimension of retail SME internationalisation (Christmann, Alexander and Wood, 2015; Hutchinson and Quinn, 2012). This mirrors studies on the internationalisation of larger retailers that likewise imply entrepreneurship to be pivotal in successful retail internationalisation (e.g.
Holland, 1970; Treadgold, 1990; Vida and Fairhurst, 1998; Vida, Reardon and Fairhurst, 2000; Williams, 1992). In accordance, the broader branding and retail branding literature as well as the international business literature on SME internationalisation all highlight the key role of the entrepreneur, either in interplay with or independent from the brand (e.g. Lloyd-Reason and Mughan, 2002; Mitchell et al., 2015; Spence and Essoussi, 2010).

Before discussing the role of the entrepreneur in more detail, it is important to clarify the use of the term ‘the entrepreneur’ in this study.

2.4.1 The entrepreneur - a definition

Authors from the retail management and international business literature apply various terms when presenting insights on individual-level entrepreneurship in relation to retail SME internationalisation and internationalisation in the wider sense. Amongst others, terms include “individual founding entrepreneur or the founding entrepreneurial team” (Covin and Miller, 2014), “strategic decision-maker owner-manager” (Lloyd-Reason and Mughan, 2002), “entrepreneurial manager” (Teece, 2012), “executives (entrepreneurs)” (Kontinen and Ojala, 2012) and “principal decision-maker(s)” (Zahra, Sapienza and Davidsson, 2006). In some instances, authors even present different terms within one study (see Hutchinson et al., 2007). It becomes evident that there is no universal definition of ‘the entrepreneur’ in relation to internationalisation.

Despite differences in the terminology, there seems to be agreement that there is a connection between decision-making and problem-solving on the one hand and entrepreneurship on the other (e.g. Jones and Casulli, 2014). However, this connection is interpreted differently within both the retail management and international business literature. Some authors recognise a single entrepreneur, mostly the founder and owner manager, and his/her sole influence on decision-making and problem-solving (e.g. Hutchinson et al., 2007; Lloyd-Reason and Mughan, 2002; Sommer, 2010). Others acknowledge the influence of several people from different hierarchical levels on decision-making and problem-solving (e.g. Dawson, 1994; Eisenhardt, 2013; Hutchinson, Quinn and Alexander, 2005, 2006; Mitchell, Hutchinson and Quinn, 2013; Vida, Reardon and Fairhurst, 2000). Furthermore, there seems to be a degree of blurriness as regards entrepreneurship and strategy. Some scholars directly connect entrepreneurship and strategy (Hutchinson et al., 2007), whilst others more broadly relate the entrepreneur to vision, direction and competitive advantage (Hutchinson, Quinn and Alexander, 2005). Both the retail
management and wider international business literature remain ambiguous and unresolved in the definition of ‘the entrepreneur’.

In contrast to wider literature, the definition of the term ‘the entrepreneur’ is specifically addressed in the international entrepreneurship literature – a literature stream that focuses specifically on the role of the entrepreneur in relation to international business development (e.g. McAuley, 2010; Ruzzier, Antoncic and Hisrich, 2006). Well-acknowledged definitions incorporate the influence of both a sole person and multiple persons on internationalisation (see Jones and Coviello, 2005; McDougall and Oviatt, 2000; Oviatt and McDougall, 2005). Following these examples, the current study relies on a definition by Jones and Casulli (2014: 45), who recently posit that ‘the entrepreneur’ refers to

“individuals who have a sole or influential role in problem solving and decision-making in relation to internationalisation, where internationalisation is considered to be the extension of entrepreneurial behaviour across national borders.”

The current study considers this definition as fitting as it captures the current state of understanding within a literature field that specifically applies an entirely entrepreneurial perspective to internationalisation. More particularly, the definition provided by Jones and Casulli (2014) presents a clear connection between the behaviour of the entrepreneur and internationalisation. Entrepreneurial behaviour in this context particularly concerns the identification, exploration and exploitation of opportunities that cross national borders and that are intended to create value in organisations (e.g. Oviatt and McDougall, 2000; Peiris, Akoorie and Sinha, 2012). As such, this definition a) mirrors the agreement in the wider retail management and international business literature regarding the connection between decision-making, problem-solving and entrepreneurship; and b) is not limited to founders and owners.

The definition by Jones and Casulli (2014) is further considered appropriate in light of the particular retail SME definition employed in the current study. As explained in section 2.2.1, this study includes companies of larger size as measured by number of employees and turnover than previous studies. Differences in size lead to differences in the management structure and process of internationalisation across firms (e.g. Hollenstein, 2005; Shuman and Seeger, 1986; Sommer, 2010). Within the retail SME branding literature Mitchell et al. (2015) explicitly address this issue by explaining that companies under investigation in their study largely engaged less than ten employees and therefore had simple, singular levels of managerial structure. With regards to larger retailers, for example Tarnovskaya et al. (2008) have shown that the entrepreneurial spirit and vision of the senior top management group

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4 Chapter Three provides more detailed insights into the international entrepreneurship literature.

5 See section 3.2.1 in Chapter Three.
drives internationalisation. The definition by Jones and Casulli (2014) is not limited to singular levels of management in terms of founders and owners.

Having established clarification on the understanding of ‘the entrepreneur’ in this study, crucial entrepreneurial characteristics and entrepreneurial behaviours are now discussed based on initial retails SME internationalisation studies.

2.4.2 Entrepreneurial characteristics

In line with internationalisation studies on larger retailers (e.g. Tarnovskaya and de Chernatony, 2011; Vida and Fairhurst, 1998; Vida, Reardon and Fairhurst, 2000), the literature on retail SME internationalisation suggests that entrepreneurial characteristics underpin entrepreneurial internationalisation decision-making and problem-solving. For example, Hutchinson, Quinn and Alexander (2006b) find that characteristics influence “not only the motives to expand, but the process and strategies of foreign business development.” The entrepreneurial characteristics of international experiences, learning orientation and international entrepreneurial orientation are now discussed in detail.

Initial contributions on retail SME internationalisation emphasise several positive effects of prior international experiences gained while working and living abroad on entrepreneurial decision-making and problem-solving (e.g. Hutchinson, Quinn and Alexander, 2006b). These studies argue that overseas experiences shape an orientation and vision towards foreign markets, and have an impact on market choice. Furthermore, a professional international experience in retailing and branding equips the entrepreneur with business skills unique to the retail industry as opposed to generic business skills. This enables him/her to better understand aspects of local business when entering foreign markets. Overseas experience gained while living and working abroad further facilitates the multilingual ability and intercultural competence of the entrepreneur (Hutchinson, Quinn and Alexander, 2006b; Hutchinson et al., 2007). As a result of overseas experience, entrepreneurs further develop networks and relationships within international markets. The ability to leverage these networks has an effect on the initial decision to internationalise, market choice as well as how international markets are developed (Hutchinson, Quinn and Alexander, 2006b).

While prior overseas experience and its positive impact on entrepreneurial behaviour is addressed, overseas experiences gained in previous markets and their impact on subsequent international business development – entrepreneurial learning - remains underdeveloped in
research on retail SME internationalisation. Only sporadically and when actually studying other aspects of retail SME internationalisation, some references to learning are identifiable within retail SME internationalisation research. Hutchinson, Quinn and Alexander (2006b) implicitly refer to learning by noting entrepreneurial experiences made prior to and during internationalisation. Hutchinson, Quinn and Alexander (2006a) report that learning is facilitated by a network’s financial and informational input. The wider international retail literature is more advanced in its understanding of learning. It is evidenced that experiences acquired during international business development and lessons learned from these matter (e.g. Chan, Finnegan and Sternquist, 2011; Jackson and Sparks, 2005, Palmer and Quinn, 2005; Tarnovskaya and de Chernatony, 2011). Likewise, exploring the competitiveness and success of small independent retailers in a domestic UK context, Ringwald and Parfitt (2011) show that reflecting on previous experiences and learning from them is pivotal for retail SMEs’ business development. The authors point out that “the owner-managers' active responses to critical reflection improves the performance of the firm and develops organisational learning.” (Ringwald and Parfitt, 2011: 585). These contributions highlight a research gap in relation to retail SME internationalisation and, in doing so, show avenues for future research.

Initial contributions on retail SME internationalisation further refer to the personality and vision of the entrepreneur in combination with his/her positive attitude towards risk. In particular, an international mind-set and a geocentric outlook is emphasised (Hutchinson, Quinn and Alexander, 2006a, b). Amongst other aspects, an entrepreneurial geocentric or world-oriented outlook relates to the establishment of an international company with global standards, while national interests are acknowledged and local variations permitted (Perlmutter, 1969). An international and geocentric point of view combined with entrepreneurial opportunism is then considered relevant for the creation and response to international opportunities (Hutchinson, Quinn and Alexander, 2006b). Moreover, scholars suggest a tolerance of risk to be a crucial characteristic of an entrepreneur (Hutchinson, Quinn and Alexander, 2006a, b). Christmann, Alexander and Wood (2015) align the positive attitude towards risk with entrepreneurial innovativeness and proactivity. In doing so, they refer to the construct of entrepreneurial orientation, which is considered the origin of international entrepreneurship.6 While proactivity in terms of the anticipation of market opportunities and risk-taking are elaborated within studies on retail SME internationalisation, as the foregoing review makes evident, notions of innovativeness as an entrepreneurial characteristic remain scarce. This is surprising, considering that product innovations, for example, are a key success factor in the internationalisation of retail firms (e.g. Fionda and Moore, 2009; Wigley, Moore and Birtwistle, 2005). Thus, the

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6 For a definition of international entrepreneurship, please see section 3.2.1 in Chapter Three.
concept of international entrepreneurial orientation, which includes proactivity, risk-taking and innovativeness, offers a promising perspective to advance the understanding of relevant entrepreneurial characteristics in retail SME internationalisation.

The foregoing review suggests that entrepreneurial characteristics play a vital role in how entrepreneurs shape the process of retail SME internationalisation. Yet, these characteristics are not sufficiently studied to date. Previous contributions limited. Thus, further substantiation is required (e.g. Hutchinson and Quinn, 2012). The contextualisation of previous results with the wider retailing literature further lays bare several underdevelopments. These gaps offer valuable possibilities to further develop and refine theory on retail SME internationalisation. Against this background, this dissertation focuses on the entrepreneurial characteristics of international experiences, learning orientation and international entrepreneurial orientation.

2.4.3 Entrepreneurial marketing and management of brand identity

The entrepreneur determines the development of the brand identity, which then serves as a potentially important driver of retail SME internationalisation. Various authors have explored retail examples, such as Laura Ashley, Richer Sounds or The Body Shop, to underline how the SME and its corresponding brand construct can become the personification of their owner (Doole and Lowe, 2008; Mitchell, Hutchinson and Bishop, 2012; Kent and Stone, 2007). In the context of strategic brand management in SMEs, Spence and Essoussi (2010: 1037) likewise emphasise the influence of the entrepreneur on brand identity: “the founders' value and beliefs set the tone for the core competencies to be developed and transmitted through brand identity.” Similar results can further be found in the broader retail management literature (e.g. Moore and Doyle, 2010; Tarnovskaya and deChernatony, 2011).

In contrast to the shaping of brand identity through entrepreneurs, the entrepreneurial marketing and management of brand identity during retail SME internationalisation remains underdeveloped to date. In particular, there seems to be a research gap regarding how entrepreneurs sense international opportunities for brand identity. For example, the generation and use of market-specific knowledge is not yet properly understood. While Hutchinson, Fleck and Lloyd-Reason (2009 a: 552) emphasise a lack of vision of management that results in only “tentative market research” among retail SMEs, Hutchinson, Quinn and Alexander (2006 a) note that retail SMEs undertake market research in order to address the idiosyncrasies of international markets. Other research, which notes that international demand pulls retail SMEs into international markets and that international consumers influence internationalisation
strategies (e.g. Christmann, Alexander and Wood, 2015; Hutchinson et al., 2007), takes little account of how exactly international demand is sensed and who does so. In addition to the sensing of international opportunities for brand identity, how entrepreneurial business skills are put in practice and how entrepreneurs handle the marketing and management of brand identity remains underdeveloped. For example, while various scholars emphasise that retail SMEs trade on a country-of-origin-effect of brand identity to differentiate within foreign markets (e.g. Hutchinson, Quinn and Alexander, 2006 a), they don't further specify “how” entrepreneurs trade on this particular effect during internationalisation. This thesis responds to this research gap.

Whilst not directly addressing retail SME internationalisation, the broader retail management and retail SME branding literature provide contributions that aide the theoretical understanding on the marketing and management of the brand identity. The retail management literature finds that particularly stores function as a strategic device to transfer a retail brand and, in doing so, increase the international market appeal of the retailer (Fernie, Moore and Lawrie, 1998; Fionda and Moore, 2009; Moore and Doyle, 2010; Moore and Fairhurst, 2003; Tarnovskaya and deChernatony, 2011). Mitchell et al. (2015) in their study on retail SME branding specify that entrepreneurs transmit the brand identity into the store and trade on its distinct aspects via customer service and the retail mix. Thereby, customer service is clearly linked to the vision behind a brand identity that feeds through to the maintenance of an appropriate culture in customer interaction and a focus on staff training (Mitchell et al., 2015). Furthermore, entrepreneurs utilise visual aspects to transmit the brand identity into the store including the shop design or product packaging (e.g. Mitchell et al., 2015; Kent and Stone, 2007). These insights into brand identity transfer from the wider retail management and retail SME branding literature illustrate how research on retail SME internationalisation requires further advancement.

The wider retail management and retail SME branding literature makes another research gap clear with respect to entrepreneurial marketing and management of brand identity during retail SME internationalisation: the transfer of brand identity not only via physical stores but also channels such as online, social media and mobile. Since the 1990s, the internet has evolved as an important sales channel in addition to traditional bricks-and-mortar retailing. Multi-channel strategies are perceived industry standards. More recently, omni-channel retailing is evolving with mobile and social media channels being integrated into retailing activities (Ashworth et al., 2006; Evans, 2011; Verhoef, Kannan, and Inman, 2015). It is emphasised that “[i]nternet to mobile communications […] has quickly become part of
everyday life, consumers now require retailers to communicate with them using this technology” (McCormick et al., 2014: 264), leading to new additional touch points between retailer and consumer for the communication of the brand (Verhoef, Kannan, and Inman, 2015). Consequently, a recent study on retail internationalisation makes evident a crucial role of the aforementioned new channels in creating brand awareness and brand integration in foreign markets (Frasquet, Dawson and Mollá, 2013). While literature on retail SME internationalisation identifies a dual expansion strategy in terms of retail stores and wholesale distribution (Hutchinson and Quinn, 2012), the study of brand identity transfer in multi-channel or omni-channel retailing remains scarce. As such, there is a research gap with respect to retail SMEs’ multi-channel management and social media integration (cf. Ashworth et al., 2006; Donnell, Hutchinson and Reid, 2012).

The retail management literature has succeeded in generating an understanding of how the entrepreneur shapes the development of brand identity. However, what is missing to date is an in-depth understanding of how the entrepreneur markets and manages brand identity during retail SME internationalisation, respectively how the entrepreneur leverages the brand identity as a strategic device to generate competitive advantage. The current study addresses this research gap.

2.4.4 Entrepreneurial networking

In addition to the marketing and management of brand identity, several studies on retail SME internationalisation provide insights into the role of entrepreneurial networking when exploring and exploiting international opportunities (e.g. Gardó, García, and Descals, 2015). Following MNE internationalisation theories and the stages theories, the network approach to internationalisation emerged as a stream of research putting the SME in the centre of interest when exploring the internationalisation process. It is argued that networking with external stakeholders determines SME strategies and processes and potentially supports competitive advantage (e.g. Johanson and Mattson, 1988). Although Dawson (1994: 270) once argued that the networking approach is “of more use for exploring vertical international relationships” such as international sourcing “rather than the horizontal ones which occur in retailing”, the application of the networking approach has revealed valuable insights on retail SME internationalisation. Similar to contributions from the international business literature, (e.g. Amal and Filho, 2010; Chandra, Styles, and Wilkinson, 2012; Sasi and Arenius 2008; Terziiovski, 2003), these insights emphasise that entrepreneurial networking contributes to SME internationalisation.
Networking in retail SME internationalisation includes personal contacts such as family and friends as well as work-related and formal contacts such as relationships to other firms and public support organisations (Hutchinson, Fleck and Lloyd-Reason, 2009; Hutchinson, Quinn and Alexander, 2006 a, b). The international business literature similarly observes that networking in the context of SME internationalisation relates to business or inter-firm networks as well as interpersonal or social relationships (e.g. Ellis, 2010; Jones, 2011). With the help of these networking partners, it is argued that retail SMEs “may overcome any barriers (strategic, operational, information or process) to internationalisation” (Hutchinson, Quinn and Alexander, 2006, a: 32). Such versatility in networking during retail SME internationalisation might be explained by the observation that, in comparison to larger retailers, “smaller firms do face a greater number of barriers to expansion as a result of more limited resources and capacity to sustain international operations” (Hutchinson, Fleck and Lloyd-Reason, 2009 a: 373).

The entrepreneur leverages crucial experience and knowledge from his/her network and incorporates these into the internationalisation strategy in relation to decision-making over expansion, market choice and entry as well as market growth. In particular, the relevance to assess and comply with international markets’ regulatory and socio-economic environments during early stages of internationalisation is emphasised in this context (e.g. Hutchinson et al., 2009 b, c). In contrast, research on how the entrepreneur leverages the network in advanced stages of retail SME internationalisation remains scarce. Hutchinson et al. (2007) are among the few to provide insights by reporting that entrepreneurs network with agents to better service local accounts. Hutchinson, Fleck and Lloyd-Reason (2009) note that the network can provide funding and access to contacts beneficial to the shared development of business operations. Beyond these studies, there tends to be a lack of specific insights on entrepreneurial networking in advanced stages of retail SME internationalisation. This includes entrepreneurial networking in relation to the marketing and management of brand identity. With respect to retail SME branding, Mitchell, Hutchinson and Bishop (2012) indeed introduce “marketing support networks” that help to overcome constraints in branding resources and competence. They argue that this type of networks “will be important to SME retailers as they seek to design, build, and nurture strong brands. However, this area remains relatively unexplored, especially within a retailing context” (Mitchell, Hutchinson and Bishop, 2012: 1384). The underdevelopment of the brand identity as a relational and networked construct is also criticised in the wider retail branding and branding literature (Tarnovskaya, Elg and Burt, 2008; Orazi et al., 2017).
To sum up, entrepreneurial networking is considered important to facilitate retail SME internationalisation. Contributions on how exactly the entrepreneur leverages the network during the internationalisation of a retail SME, however, remain scarce. Most notably, entrepreneurial networking in relation to the marketing and management of the brand identity is neglected. This is particularly alarming since the brand identity is identified as a primary basis for competitive advantage. This dissertation seeks to address the aforementioned research gaps in relation to entrepreneurial networking. Particularly entrepreneurial personal networking is in the focus, as the importance of this type of networking during retail SME internationalisation appears to be crucial. Amongst others (e.g. Christmann, Alexander and Wood, 2015; Dawson, 2001), Hutchinson et al. (2007: 112) “conclude that for smaller specialist retailers, personal relationships (formed as a result of family or friends) facilitate the decision to internationalise”. More widely in the international business literature and particularly with respect to networking and international entrepreneurship, the role of personal networking is emphasised since “it is generally accepted by entrepreneurship theorists that opportunities are recognised by individuals, not firms” (Ellis, 2010: 4). Such a focus is also considered advantageous with respect to seeking to contribute to theory development. Substantial insights into inter-firm and business networks are already available in the retail management literature (Fernie et al., 1997; Doherty, 2007; Hutchinson, Fleck and Lloyd-Reason, 2009b). The aforementioned network approach to SME internationalisation in the wider business literature also mainly concerned business-to-business relationships. Thus, a focus on personal networking also offers a conceptual advantage (see Ellis, 2010).
2.5 Summary

A few initial contributions, for example by Hutchinson, Quinn and Alexander (2005), yield important first insights into the role of the brand identity and the entrepreneur – either in interplay with brand identity or independently – in retail SME internationalisation. However, to date, studies on retail SME internationalisation are rare and limited in their geographical coverage of investigated firms. Generalisability is doubted (see Hutchinson and Quinn, 2012). Further, several gaps or underdevelopments as well as ambiguities are identified that require scientific attention to further specify and extend the understanding of the driving forces behind retail SME internationalisation.

This study considers the entrepreneur to be a valid starting point for advancing the understanding of retail SME internationalisation. It is suggested that the decision-making and problem-solving processes reside in the entrepreneur (e.g. Hutchinson et al., 2007; Vida and Fairhurst, 1998; Vida, Reardon and Fairhurst, 2000). Yet, knowledge on both entrepreneurial characteristics and behaviours remains underdeveloped. Especially the entrepreneurial characteristics of international experience, learning orientation as well as international entrepreneurial orientation require further research. With respect to entrepreneurial behaviour, the retail management literature is limited in its understanding of the entrepreneurial leverage of brand identity as a strategic asset (e.g. Tarnovskaya and de Chernatony, 2011). This underdevelopment is considered very serious in light of the identification of the brand identity as a primary basis for competitive advantage in retail SME internationalisation. Further, research in entrepreneurial networking, for example in relation to brand identity transfer, remains underdeveloped (e.g. Mitchell, Hutchinson and Bishop, 2012; Orazi et al., 2017). The current study addresses these research gaps.
3 INTERNATIONAL ENTREPRENEURSHIP AND RETAIL SME INTERNATIONALISATION

3.1 Introduction to SME internationalisation in the international business literature

While the important role of the entrepreneur in retail SME internationalisation remains a somewhat neglected area in the retail management literature, one might refer to international business literature to further explore this issue. This stream of literature is developing a unique approach to SME internationalisation strongly emphasising the entrepreneur: international entrepreneurship research. In this chapter, the current study draws on this research stream to advance retail SME internationalisation knowledge (see also: Sternquist, 1997; Vida, Reardon and Fairhurst, 2000; Wrigley and Wood, 2018). Alexander and Myers (2000: 340) see considerable benefits to drawing on insights from other disciplines to advance the current state of the retail management literature:

“The overwhelming body of international retailing literature may justly be accused of focussing too much on the retail process itself and insufficiently on the consideration of such developments within the broader framework of conceptual thought on international business. Therefore, it is appropriate that there should be a rectification of this situation and an evaluation of the contribution that the wider literature may provide."

Thus, concepts from the international entrepreneurship literature are now discussed and evaluated in terms of how these might potentially advance retail SME internationalisation research (see Dawson, 1994), leading to a research conceptualisation that incorporates the most relevant aspects of both literature streams in Chapter Four.

The remainder of this chapter is structured as follows. First, it develops a definition and presents theoretical underpinnings of international entrepreneurship. Next, entrepreneurial characteristics and capabilities are discussed with regards to their transferability to research on retail SMEs internationalisation. In doing so, the chapter develops a structure for the study to advance knowledge on the role of the entrepreneur in retail SME internationalisation.
3.2 International entrepreneurship and the study of SME internationalisation

SME internationalisation knowledge in the wider international business literature – similar to the retail management literature – is still in an evolving state as scholars have traditionally focused on larger organisations (McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2006). Only since the 1970s, scholars – particularly those from Nordic countries - started paying more attention to SMEs as part of their research. Stage models of internationalisation such as the Uppsala Internationalisation Model and the Innovation-related Model developed (e.g. Johanson and Vahlne, 1977, 1990; McAuley, 2010). These models were utilised to explain the internationalisation of SMEs. However, directly related to this study, one of the core criticisms is that these models are of a deterministic nature, provide no dynamic perspective to internationalisation and, as such, fail to acknowledge contemporary observations of SME internationalisation patterns (Ruzzier, Hisrich and Antoncic, 2006). For example, Oviatt and McDougall (1994, 1997) find that small firms may compete globally almost from their inception, so called international new ventures. Knight and Cavusgil (1996) observe early and rapid internationalisation of SMEs, so-called born globals. Such authors significantly question the applicability of traditional internationalisation theory such as the Uppsala Model to SME internationalisation (Knight and Cavusgil, 1996; McAuley, 2010; Oviatt and McDougall, 1994, 1997; Ruzzier, Hisrich and Antoncic, 2006).

SME-sensitive theoretical developments were initiated in the 1990s with Johanson and Vahlne (1990) extending the Uppsala Model by including a networking perspective to internationalisation, acknowledging the relationships of a firm and its integration within a network. Various network models of internationalisation emerged as a result and received interest from research focused on SME internationalisation in the 2000s. However, the role of the entrepreneur in this process remains underdeveloped. This is mystifying as entrepreneurs, for example, often have the most influential contacts within SMEs (McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2006). Even beyond the SME context, Wright, Westhead and Ucbasaran (2007: 1021) state that studies fail to consider the individual “who actually create[s] and/or discover[s] opportunities in foreign markets”.

In the early 1990s, the RBV of strategic management influenced and contributed to the development of international entrepreneurship as distinct area in the international business literature. Similar to the networking approach, international entrepreneurship considers internal and external resources to play a significant role in internationalisation. More specifically, the
level of analysis concerns the individual – namely the entrepreneur – as the key resource in contrast to the organisation and its bundle of resources. This approach reflects a crucial shift in perspective when analysing internationalisation with the individual in the centre of attention (e.g. Ruzzier, Hisrich and Antoncic 2006, Peiris, Akoorie and Sinha, 2012). In this context, individual entrepreneurs and their specific characteristics and capabilities are understood to be the key driver during the process of SME internationalisation (e.g. Andersson and Florén, 2008; McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2007; Schulz, Borghoff and Kraus, 2009).

It needs to be critically acknowledged though that the literature drawn on to advance retail SME internationalisation knowledge is derived from a comparatively new and yet evolving field of research. Amongst others (e.g. Peiris, Akoorie and Sinha, 2012), Jones et al. (2011) raise awareness of international entrepreneurship theory being only a little over two decades old. They stress that this approach is still in the early stages of incremental theory development. Despite the emerging status of international entrepreneurship research (e.g. Coviello et al., 2011; Jones et al., 2011; Peiris, Akoorie and Sinha, 2012), there is some consensus emerging with ideas and concepts being gradually refined and, thus, becoming increasingly distinctive.

3.2.1 International entrepreneurship – a definition

Although the wider term ‘entrepreneurship’ tends to be not clearly defined and various complementary definitions of this term exist (Jantunen et al., 2005), a construct from the entrepreneurship literature provides the basis for an early understanding of international entrepreneurship: the entrepreneurial orientation construct (e.g. Amal and Filho, 2010; Covin and Slevin, 1991; Meliá, Pérez and Dobón, 2010; O’Cass and Weerawardena, 2009). The entrepreneurial orientation construct consists of characteristic dimensions that distinguish between key processes and practices as well as decision-making styles. These dimensions include innovativeness, risk-taking, proactivity, entrepreneurial autonomy, and competitive aggressiveness (Lumpkin and Dess, 1996). Grounded on the varied understandings of entrepreneurial orientation, first definitions of international entrepreneurship have evolved (Oviatt and McDougall, 2005). More recently, entrepreneurs increasingly embrace opportunism. It is further more specifically differentiated between cognitive perspectives and behavioural processes: the entrepreneur’s intention to expand beyond national borders comes before behavioural processes that shape the actual internationalisation (Covin and Miller, 2014; Peiris, Akoorie and Sinha, 2012).
Presenting a refined understanding of international entrepreneurship that goes beyond the international entrepreneurial orientation construct, Peiris, Akoorie and Sinha (2012: 296) provide the following definition of international entrepreneurship, which they consider ‘broad’ in its applicability:

“the cognitive and behavioural processes associated with the creation and exchange of value through the identification and exploitation of opportunities that cross-national borders.”

The current study relies on this definition as both opportunism and a combination of cognitive and behavioural aspects are emphasised. Against this background, this study recognises international entrepreneurship as an individual-level phenomenon in line with various other scholars (e.g. Acedo and Florin, 2006; Jones and Casulli, 2014; Keupp and Gassmann, 2009; McDougall-Covin, Jones and Serapino, 2014; Peiris, Akoozie and Sinha, 2012; Ruzzier, Hisrich and Antoncic, 2006).

3.2.2 International entrepreneurship and the dynamic capabilities-based view

International entrepreneurship in combination with the RBV and DCV is considered to be particularly promising to advance the understanding of SME internationalisation (e.g. Ruzzier, Hisrich and Antoncic 2006). Before discussing the combination of international entrepreneurship, RBV and DCV, as well as its advantages in detail, it is important to note that both theories underpinning international entrepreneurship - the RBV and DCV - have been critiqued as tautological and reliant on ex post rationalisation (e.g. Barney, 2001; Priem and Butler, 2001; Williamson, 1999). For example, as regards the definition of the DCV, it is argued that “it comes close to saying that a core competence is a competence that is core” (Williamson, 1999: 1093). Amongst others (e.g. Priem and Butler, 2001), Williamson (1999: 1093) further criticises that the DCV relies on ex post rationalisation: “show me a success story and I will show you (uncover) a core competence”. Opposing these critiques, Barney (2001: 41) notes that, similar to transaction cost economics, “all strategic management theories are tautological”. He therefore claims that a tautological restatement is not a valid basis to criticise or even disqualify a view or a theory. Several studies on retail internationalisation and business development try to uncover the basis of success and, in doing so, also rely on post rationalisation. The strength of insights and contribution to academia and practice is undisputed (e.g. Burt and Davies, 2010; Moore and Doyle, 2010; Moore, Fernie and Burt, 2000). In line with Barney (2001), it is therefore concluded that the argument of ex post rationalisation does not disqualify the consideration of international entrepreneurship in combination with the RBV and DCV. Irrespective of this, following Eisenhardt and Martin (2000) as well as Zahra, Sapienza and Davidsson (2006), this study develops an understanding of dynamic capabilities,
which emphasises their potential for impacting superior competitiveness. It rejects a performance tautology in the definition of dynamic capabilities.

The RBV is understood to be critical to the understanding and development of international entrepreneurship research (Peiris, Akoorie and Sinha, 2012). As previously explained, the RBV is considered an approach to explain the competitive advantage of a company. In the case of valuable, rare, imperfectly imitable, and non-substitutable resources (VRIN), a company can differentiate from competition and competitive advantage (e.g. Barney, 1991). In this context, heterogeneity is a common characteristic of RBV and entrepreneurship theory. The RBV embraces heterogeneity of resources and entrepreneurship theory notes heterogeneity in beliefs about the values of these resources. It is contended that the beliefs about the value of resources can act as a resource itself. Thus, entrepreneurship is a resource itself and the RBV a framework to understand the entrepreneur as such. The unit of analysis is shifted from the firm to the individual level (Alvarez and Busenitz, 2001; Rangone, 1999; Ruzzier, Hisrich and Antoncic, 2006).

However, some scholars in the wider international business literature argue that the RBV has developed into a somewhat static outlook on business development as it discounts process-related and evolutionary aspects to some extent. The descriptive nature of studies applying a RBV to strategic management is criticised. Variance in firm contexts and resource bases, it is argued, are insufficiently considered. Particularly long-term competitive advantage goes beyond the mere ownership or access to resources and their usage or deployment. A dynamic and process-oriented conceptualisation is required (Al-Aali and Teece, 2014; Armand and Valliere, 2012; Covin and Miller, 2014; Easterby-Smith and Prieto, 2008; Teece, Pisano and Shuen, 1997). As Chapter Two establishes, the retail management and retail branding literature similarly provide some indication that the continuous marketing and management of a brand or brand identity is assessed vital (e.g. Mitchell et al., 2015; Kent and Stone, 2007; Tarnovskaya and de Chernatony, 2011). It is thus concluded here that a framework to explore the role of the entrepreneur in retail SME internationalisation needs to go beyond the RBV.

Closely connected to the RBV, the dynamic capabilities view (DCV) offers a long-term process-perspective on the exploration and exploitation of a firm’s resource base (Al-Aali and Teece, 2014; Eisenhardt and Martin, 2000; Teece, 2007, 2014, 2017; Teece, Pisano and Shuen, 1997). Teece (2017: 693) praises the DCV as “[o]ne of the leading paradigms in the field” of strategic management. Accommodating earlier definitions (e.g. Eisenhardt and Martin, 2000; Teece, Pisano and Shuen, 1997), Helfat et al. (2007: 4), cited in Easterby-Smith, Lyles and
Peteraf (2009), define dynamic capabilities as “the capacity of an organisation to purposefully create, extend, or modify its resource base”. In other words, dynamic capabilities re-create and renew a firm’s VRIN resources and competences (e.g. signature processes and signature business models). Such dynamic capabilities may evolve in answer to changing markets and environments such as competitors copying key resources and capabilities and, in doing so, withdrawing the basis for superior market performance (e.g. Johnson et al., 2011; Teece, 2014a, 2017; Teece, Pisano and Shuen, 1997). They may also develop due to changing organisational conditions such as rapid growth and changing management vision (e.g. Zahra, Sapienza and Davidsson, 2006). Irrespective of whether externally or internally stimulated, the basis for successful long-term differentiation and potentially superior firm performance may be grounded in a new value-creating strategy based on VRIN resources and competences (RBV) and their creation, integration, recombination, extension, modification or release through dynamic capabilities (DCV). Various authors in the international entrepreneurship literature emphasise this value-creating nature and their potential for influencing matters of international performance (e.g. Bruni and Verona, 2009; Easterby-Smith, Lyles and Peteraf, 2009; Jantunen et al., 2005; Prange and Verdier, 2011; Teece, 2007, 2014, 2017; Teece, Pisano and Shuen, 1997; Zahra, Sapienza and Davidsson, 2006). The wider international business and retail management literature also show consistency by noting a direct support of entrepreneurial ‘capabilities’ to international performance in SME internationalisation (e.g. Hutchinson et al., 2007; Kaleka, 2011; Prange and Verdier, 2011). Rather rarely do scholars suggest that dynamic capabilities only indirectly impact international performance (e.g. Mort and Weerawardena, 2006; Sternad, Jaeger and Staubmann, 2013). Thus, the current study adopts the following understanding:

*Dynamic capabilities are strategic processes that manipulate a firm’s resource base into a new value-creating strategy that may contribute to differentiation and superiority to competition.*

Thematicallly and conceptually, international entrepreneurship in combination with the DCV is found promising to advance not only SME internationalisation in the wider sense but particularly retail SME internationalisation. Thematically, the merger of entrepreneurship and both international business and international marketing offered by international entrepreneurship is considered beneficial since the previous chapter found both the role of brand identity and the role of the entrepreneur underdeveloped in the context of retail SME internationalisation. Conceptually, several studies particularly address the RBV or the DCV in their literature reviews or more loosely refer to managerial resources, competences,

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7 For other well-acknowledged definitions of dynamic capabilities in the international business literature, please see Zahra, Sapienza and Davidsson’s (2006: 922) overview of key definitions.
characteristics or capabilities (e.g. Hutchinson et al, 2007). Moreover, brand identity is frequently framed within a RBV (see section 2.3.2.2 in Chapter Two). Amplifying this assessment regarding retail internationalisation, Frasquet, Dawson and Mollá (2013: 1511) highlight: “the dynamic capabilities approach seems particularly fit to explain internationalisation processes in the retail sector as the challenges of the international operation require flexibility, agility, entrepreneurship, learning and investment choices, which are central ideas of this framework”.

3.2.3 Dynamic capabilities versus ordinary capabilities

While the international business literature fairly agrees on the origin as well as the basic definition and functionality of dynamic capabilities, it shows inconsistencies and ambiguities in the distinction between dynamic and ordinary capabilities. With respect to the dynamic versus ordinary capabilities debate, Zahra, Sapienza and Davidsson (2006) thus speak of confusion within the international business literature and a complex relationship between the two types of capabilities. Others highlight blurriness and note that “the distinction between ordinary and dynamic capabilities is an ambiguous one […] to the point where it is doubtful whether it is meaningful at all” (Karna, Richter and Riesenkampff, 2016: 37). It is further spoken of diverging conversations with respect to the differentiation between dynamic and ordinary capabilities: scholars either support the stronger Teeceian understanding or the more moderate view of Eisenhardt and Martin (2000) (Karna, Richter and Riesenkampff, 2016; Peteraf, Di Stefano and Verona, 2013). Since this divergence in the literature is rarely openly addressed, Peteraf, Di Stefano and Verona (2013: 1389) even speak of “the elephant in the room of dynamic capabilities”. This thesis acknowledges both views on dynamic capabilities and the corresponding differentiation between dynamic and ordinary capabilities – Teece as well as Eisenhardt and Martin. It incorporates elements of both views in its understanding of dynamic capabilities, seeking to contribute to more robust theory development by facilitating reconciliation (see Peteraf, Di Stefano and Verona, 2013). Both views are now discussed in more detail, showing similarities and key differences (see also Table 3-2).

Teece (2014a) clearly differentiates between ordinary and dynamic capabilities. Dynamic capabilities are based on VRIN resources and competences, which incorporate the company's unique historical and cultural background as well as experience base. As such, dynamic capabilities need to be considered a difficult-to-replicate competence, which are to be

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8 Peteraf, Di Stefano and Martin (2013) find that the divide of scholarship derives from different research backgrounds and interests. The Teece group is related to economics, technology, firm performance, and strategy. The Eisenhardt side is linked to organisational theory, science, behaviour and information systems.
differentiated from ordinary, operational or substantive capabilities (Teece, 2007; 2014; Teece, Pisano and Shuen, 1997). At the same time, this does not suggest that dynamic capabilities exclude:

“standard entrepreneurial activities such as identifying undersatisfied demands and mobilising resources in such a way as to profit from satisfying them. But the critical value of dynamic capabilities lies in their potential for helping the organisation do this repeatedly, thereby helping to create a durable competitive advantage” (Teece, 2014a: 335).

Teece (2017: 700) concludes that dynamic capabilities are about “doing the right things”, whereas ordinary capabilities are about “doing things right”. As such, dynamic capabilities embrace activities of uniqueness and exceptionality – signature activities – while ordinary capabilities address best practice or best in class activities (Teece, 2014a, 2017).

Table 3-1 summarises these key features of dynamic capabilities and their differences to ordinary capabilities, as suggested by Teece (2017: 700).

**Table 3–1: Ordinary versus dynamic capabilities**

<table>
<thead>
<tr>
<th>Goals / purpose</th>
<th>Ordinary capabilities</th>
<th>Dynamic capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operational (technical efficiency in</td>
<td>Strategic (achieving congruence with customer needs and</td>
</tr>
<tr>
<td></td>
<td>business functions)</td>
<td>with technological and business opportunities</td>
</tr>
<tr>
<td>Mode of attainability</td>
<td>Buy or build (operational learning)</td>
<td>Build (dynamic learning and adjustment)</td>
</tr>
<tr>
<td>Tripartite schema</td>
<td>Operate, administer and govern</td>
<td>Sense, seize and transform</td>
</tr>
<tr>
<td>Key activities</td>
<td>Best practices</td>
<td>Signature (beyond best practice)</td>
</tr>
<tr>
<td>Managerial emphasis</td>
<td>Static optimisation</td>
<td>Entrepreneurial asset orchestration and leadership</td>
</tr>
<tr>
<td>Priority</td>
<td>Doing things right</td>
<td>Doing the right things</td>
</tr>
<tr>
<td>Imitability</td>
<td>Relatively imitable</td>
<td>Relatively inimitable</td>
</tr>
<tr>
<td>Result</td>
<td>Efficiency and technical fitness</td>
<td>Innovation and evolutionary fitness</td>
</tr>
</tbody>
</table>

However, the differentiation between dynamic and ordinary capabilities developed by and around Teece is not the only acknowledged outlook on dynamic capabilities in the international business literature. Eisenhardt and Martin (2000) also differentiate between ordinary and dynamic capabilities and acknowledge a certain hierarchy between these two capabilities. However, in contrast to Teece, they recognise best practice approaches as dynamic capabilities. Eisenhardt and Martin (2000) observe specific dynamic capabilities to include strategies and processes, which are industry-wide recognised to possibly lead to superior results as they outperform any other alternative strategy or process. Thus, such specific dynamic capabilities may be applied amongst several firms and may show similarity in their execution. As strategies or processes that are not only more successful than alternatives but also are common amongst firms are typically considered best practices, they conclude that such dynamic capabilities equally may represent best practices. The Teecian side sees dynamic capabilities as signature practices and classifies best practices as ordinary capabilities (e.g. Teece, Pisano and Shuen, 1997; Teece, 2014a, 2017). In contrast to Teece, who considers dynamic capabilities to be signature in their entirety, Eisenhardt and Martin (2000) acknowledge differences in comparison to competition, respectively idiosyncrasy, in the details of best practices. Eisenhardt and Martin (2000: 1108) state:

“Yet, while dynamic capabilities are certainly idiosyncratic in their details, the equally striking observation is that specific dynamic capabilities also exhibit common features that are associated with effective processes across firms [...] In popular parlance, there is ‘best practice.’“

Amongst others (e.g. Zahra, Sapienza and Davidsson, 2006), Eisenhardt and Martin (2000) continue that, in light of such common features, dynamic capabilities may potentially only lead to temporary competitive and not necessarily sustained competitive advantage as suggested by Teece. These differences in the construction of dynamic capabilities have remained largely ignored in the scientific debate (Peteraf, Di Stefano and Verona, 2013).

Table 3-2 provides an overview of selected key similarities and differences between the Teecian and Eisenhardt and Martin conceptualisation of dynamic capabilities.
Table 3–2: Key similarities and differences between the Teecian and the Eisenhardt and Martin view on the conceptualisation of DCs

<table>
<thead>
<tr>
<th></th>
<th>Teece</th>
<th>Eisenhardt and Martin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Similarities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Theoretical basis</td>
<td>RBV</td>
<td></td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Responding to business opportunities and markets (not static)</td>
<td></td>
</tr>
<tr>
<td><strong>Fundamental</strong></td>
<td>Strategic processes and routines that manipulate VRIN resources into a</td>
<td></td>
</tr>
<tr>
<td><strong>functionality</strong></td>
<td>new value-creating strategy, which enables differentiation from</td>
<td></td>
</tr>
<tr>
<td></td>
<td>competition</td>
<td></td>
</tr>
<tr>
<td><strong>Influence</strong></td>
<td>Learning mechanisms and path dependency</td>
<td></td>
</tr>
<tr>
<td><strong>Differences</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lens</strong></td>
<td>Economic and formal modelling</td>
<td>Organisational and empirical</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td>Signature practices of non-routine</td>
<td>Best practices of patterned nature</td>
</tr>
<tr>
<td></td>
<td>nature</td>
<td></td>
</tr>
<tr>
<td><strong>Heterogeneity</strong></td>
<td>Purely idiosyncratic / firm-specific</td>
<td>Commonalities (e.g. best practice)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>with idiosyncratic details</td>
</tr>
<tr>
<td><strong>Pattern</strong></td>
<td>Complicated, detailed, analytic</td>
<td>Ranging from detailed, analytic to</td>
</tr>
<tr>
<td></td>
<td>routines</td>
<td>simple, experiential routines</td>
</tr>
<tr>
<td><strong>Relation to ordinary</strong></td>
<td>Distinctive, independent and</td>
<td>Structurally related to ordinary</td>
</tr>
<tr>
<td><strong>capabilities</strong></td>
<td>superior to ordinary capabilities</td>
<td>capabilities (mutual reinforcement)</td>
</tr>
<tr>
<td><strong>Imitability</strong></td>
<td>Relatively inimitable</td>
<td>Imitable</td>
</tr>
<tr>
<td><strong>Contribution</strong></td>
<td>Sustained competitive advantage</td>
<td>Value creation, potential for influencing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>temporary competitive advantage</td>
</tr>
<tr>
<td><strong>Further specification</strong></td>
<td>Transfer and adaptation of</td>
<td>Strategic decision making,</td>
</tr>
<tr>
<td></td>
<td>ordinary capabilities, selection of</td>
<td>alliancing</td>
</tr>
<tr>
<td></td>
<td>promising markets</td>
<td></td>
</tr>
</tbody>
</table>

Peteraf, Di Stefano and Verona (2013) urge that robust theory development with respect to the DCV requires a reconciliation of the two sides of dynamic capabilities scholarship. In accordance, Teece (2014a) recognises potential benefits of a reconceptualization to overcome the divergence in the literature on dynamic capabilities. Peteraf, Di Stefano and Verona (2013) suggest that particularly the retailing sector might hold potential for such reconciliation by arguing that elements of both the Teecian and Eisenhardt and Martin view can be integral to the study of dynamic capabilities in a retailing context.

Peteraf, Di Stefano and Verona (2013) postulate that a study in a moderately dynamic market such as retail may allow to observe dynamic capabilities as best practices that are idiosyncratic in their details (~Eisenhardt and Martin). Firstly, in the retailing industry firms are not equally experienced. Learning and experience leads to differences the manifestation of best practice with retail firms most experienced in the best practice outperforming others and possibly achieving competitive advantage (~Eisenhardt and Martin). Secondly, if idiosyncratic details are proprietary in nature and in-imitable in the long-term, competitive advantage might even be sustainable (~Teece). Thirdly, as exemplified by large-scale retailer Zara, timing potentially allows a sustained competitive advantage (~Teece) over a certain time based on best practice (~Eisenhardt and Martin) (Peteraf, Di Stefano and Verona, 2013). While Peteraf, Di Stefano and Verona (2013) theoretically develop a possible reconciliation of the differing views, Jantunen, Ellonen and Johansson’s (2012) multiple-case study on dynamic capabilities in the magazine publishing industry provides rare empirical evidence for such reconciliation by observing both idiosyncratic (~Teece) and rather common dynamic capabilities (~Eisenhardt and Martin). Further dynamic capabilities studies that exhibit openness towards both best and signature practice and, correspondingly, competitive and sustained competitive advantage, are required for robust theory development (Peteraf, Di Stefano and Verona, 2013; Jantunen, Ellonen and Johansson, 2012). This study thus adopts the following understanding:

**Dynamic capabilities are strategic processes that manipulate VRIN resources such as brand identity into a new value-creating strategy, which has the potential for enabling differentiation from and superiority to competition. Dynamic capabilities in practice may represent activities that are signature in their entirety or resemble best practices that are idiosyncratic in their details.**

In conclusion, this study embraces a rather moderate view in its conceptualisation of dynamic capabilities. It rejects Teece’s strict limitation of dynamic capabilities to signature practices and sustained competitive advantage. Instead, in addition to signature practices, it acknowledges Eisenhardt and Martin’s view in that dynamic capabilities may also resemble best practices.
that are idiosyncratic in their details. Consequently, both temporary and sustained competitive advantage may be facilitated by dynamic capabilities (see also Karna, Richter and Riesenkampff, 2016; Peteraf, Di Stefano and Verona, 2013). In doing so, the current study aims to overcome the “closed world” of the Teecean side and seeks to contribute to reducing the distance between the two disparate streams on dynamic capabilities, increasing the robustness of DCV (Peteraf, Di Stefano and Verona, 2013: 1401).

While this study adopts a ‘softer’ understanding of dynamic capabilities, it does not suggest that any capability may qualify as a dynamic capability. It is differentiated between dynamic and ordinary capabilities. Whilst dynamic capabilities concern the strategic manipulation of VRIN-resources into a new value-creating strategy that promotes differentiation from competition, ordinary capabilities reflect rather stationary processes and consider a well-defined and static bundle of products and services (see Teece, 2014b, 2017; Zahra, Sapienza and Davidsson, 2006). As Winter (2003: 992) explains, ordinary capabilities concern “producing and selling the same product, on the same scale and to the same customer population over time.” This particularly relates to operational, administrative and governance purposes. For example, ordinary capabilities address matters of technical efficiency or the compliance with regulations. In contrast to dynamic capabilities related to newness and change, ordinary capabilities thus serve rather basic and continuous functions of a firm (see Teece, 2017; Winter, 2003; Zahra, Sapienza and Davidsson, 2006). Amongst others, examples of ordinary capabilities include operational routines such as plant layout, distribution logistics and periodic marketing campaigns (Karna, Richter and Riesenkampff, 2016). This understanding of ordinary capabilities and their distinction from dynamic capabilities yet again validates this study’s focus on entrepreneurial dynamic capabilities. Retail SME internationalisation requires entrepreneurs to market and manage brand identity on a different scale and to new customer populations located within new international markets. Internationalisation thus demands dynamic capabilities concerned with newness and change in terms of an entrepreneurial “ability to design, develop, implement, and modify [...] routines” for the leverage of brand identity as a strategic asset (Teece, 2014b: 9). In addition to the conceptualisation and realisation of new routines, this particularly includes entrepreneur’s recreation and potential renewal of brand identity marketing and management processes used in the home market (~ordinary capabilities) within new international markets.

Although the current study acknowledges that dynamic capabilities in their precise conceptualisation might not be as signature as initially suggested by Teece, the following sections will include contributions by or related to Teece since these particularly address the internationalisation of firms and thereby suggest operationalisable dynamic capabilities.
3.2.4 Operationalising entrepreneurial dynamic capabilities

Various researchers bring international entrepreneurship and the DCV together by considering the DCV as an entrepreneurial approach to business development (e.g. Jantunen et al., 2005; Teece, 2012, 2014). The micro foundations of dynamic capabilities in relation to the entrepreneur are emphasised (Helfat and Martin, 2015; Teece, 2007, 2012; Zahra, Sapienza, and Davidsson, 2006). Ruzzier et al. (2006: 490) note that opportunities for competitive advantage go beyond national borders and that their leverage resides in the entrepreneur’s capabilities to internationally allocate the appropriate resources. Indeed, Teece (2014: 18) takes a multidimensional theoretical perspective to DCV in relation to the entrepreneur and introduced three clusters of dynamic capabilities relevant to internationalisation:

“(1) identification and assessment of opportunities at home and abroad (sensing);
(2) mobilisation of resources globally to address opportunities, and to capture value from doing so (seizing); and
(3) continued renewal (transforming).”

Being considered the micro foundations of dynamic capabilities, these three clusters of dynamic capabilities represent how entrepreneurs manipulate VRIN resources into a new value-creating strategy that enables differentiation from competition during internationalisation (e.g. Helfat and Peteraf, 2015; Helfat and Martin, 2015; Teece, 2012, 2014, a, b).

This multidimensional understanding of dynamic capabilities during internationalisation mirrors discussions elsewhere in the international business literature. Amongst others (e.g. Alvarez and Busenitz, 2001), Teece’s (2014) tripartite schema reveals parallels to March’s (1991) seminal work on the trade-off between the exploration and exploitation and the idea of ambidexterity that has developed from this work. Exploration refers to the discovery of or the play with new alternatives and therefore is related to uncertain, distant and often negative returns (~sensing). Exploitation, on the other hand, implies the refinement and the extended continuation of already leveraged opportunities and, as such, relates to positive, proximate and predictable returns (~seizing, transforming). In this context, ambidexterity captures the balance between exploration and exploitation that enables the achievement of both efficiency and flexibility in international business development (March, 1991). These similarities have also been noted elsewhere in the international entrepreneurship literature (e.g. Al-Aali and Teece, 2014; Easteby-Smith and Prieto, 2008). Further, albeit not directly addressing internationalisation, in one of the few empirical contributions, Jantunen, Ellonen and Johansson

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9 This study uses the term ‘entrepreneurial dynamic capabilities’ in light of the focus of this study. Other studies speak of dynamic managerial capabilities (e.g. Helfat and Martin, 2015; Helfat and Peteraf, 2015).
provide specific examples of sensing and seizing capabilities at the organisational level. “Internal research and development”, “identifying changing customer needs/ customer innovation” as well as “processes to tap technological developments” comprise sensing capabilities. “Delineating the business model”, “decision-making protocols” and “managing complements and platforms” are observed seizing capabilities. While Teece (2014) speaks of transforming capabilities, Jantunen, Ellonen and Johansson (2012: 148 ff.) observe reconfiguring capabilities such as “knowledge management”, “leadership practice”, “asset co-specialisation and resource re-configuration”. Yet, in sum, Jantunen, Ellonen and Johansson (2012) conclude to have validated the Teecian tripartite cluster of dynamic capabilities, facilitating the move from conceptualisation to the operationalisation of the DCV.

This study considers the clusters of sensing, seizing and transforming appropriate to operationalise dynamic capabilities and, thus, offer a promising avenue to advance the understanding of how entrepreneurs explore and exploit opportunities in retail SME internationalisation. In one of the rare contributions on retail internationalisation and dynamic capabilities, Frasquet, Dawson and Mollá (2013) equally advocate the clustering of dynamic capabilities into sensing, seizing and transforming. They argue that particularly during retail internationalisation, entrepreneurs not only face new opportunities but also greater challengers:

“Being able to sense opportunities and threats and to seize opportunities from different cultural environments requires additional or higher order capabilities than are needed domestically” (Frasquet, Dawson and Mollá (2013: 1512).

There exist various ideas or suggestions on the contexts of dynamic capabilities (see Jantunen, Ellonen and Johansson, 2012; Kaleka, 2011; Prange and Verdier, 2011; Vahlne and Jonsson, 2017). Following the established significance of the entrepreneurial brand identity marketing and management as well as entrepreneurial networking in retail SME internationalisation (see section 2.4 in Chapter Two), this study concentrates on marketing-related and networking-related entrepreneurial dynamic capabilities.

3.2.4.1 Entrepreneurial marketing-related dynamic capabilities

In the broader literature, diverse definitions of marketing-related dynamic capabilities exist (see Barrales-Molina, Martínez-López and Gázquez-Abad, 2014). To overcome diversity and to support the development of a consensus, Barrales-Molina, Martínez-López and Gázquez-Abad (2014) posit that marketing-related dynamic capabilities are a distinct set of dynamic capabilities that endorses market knowledge and customer-oriented marketing processes,
which accords with Bruni and Verona (2009) and Fang and Zou (2009). Thus, examples of marketing-related dynamic capabilities derived from the wider business literature include to create market knowledge, to build brands, customer relationship management, new product development and market learning (see Barrales-Molina, Martínez-López and Gázquez-Abad, 2014). Thereby, it is critical that these marketing-related dynamic capabilities “support firms in the process of changing from their stationary process” (Bruni and Verona, 2009: 103). In contrast, marketing-related ordinary capabilities are more static in nature and concern matters of efficiency. Amongst others, they include to exploit existing distribution channels and to satisfy existing customers (see Bruni and Verona, 2009). With respect to retail SME internationalisation, it is thus understood that marketing-related dynamic capabilities concern entrepreneurial market knowledge and customer-oriented marketing processes that manipulate brand identity into a new value-creating strategy which enables differentiation from and superiority to competition during internationalisation. The entrepreneur’s ability to replicate, implement and potentially change distribution channels as well as routines to serve customers within international markets may be such dynamic capabilities of relevance during retail SME internationalisation.

In light of scarcity of studies exploring how marketing-related dynamic capabilities can promote internationalisation (Blesa and Rippolés, 2008; Weerawardena et al., 2007), only few examples of marketing-related dynamic capabilities during internationalisation were identifiable from the literature. With respect to retail internationalisation, Frasquet, Dawson and Mollá (2013) consider brand building as a relevant dynamic capability. They argue that the brand is expressed in retail formats and product collections launched in international markets. Brand management during expansion thus requires to adapt formats and collections to the respective international markets. Further, identification of locations and implementation of store designs that appropriately stage the brand are considered a dynamic capability. This potentially includes to review and refine store designs, working towards a balance between communicating brand values, yet being locally embedded in a consumer culture (Frasquet, Dawson and Mollá, 2013). In line, the formulation of the right marketing mix to a particular market’s needs and wants is considered a marketing-related dynamic capability of relevance for SME internationalisation, which ultimately leads to a niche positioning in international markets. This particularly includes to customise products and to work towards achieving proximity to customers in international markets (Weerawardena et al., 2007). Particular to retail internationalisation, multi-channel management is another relevant dynamic capability. It is important to set up, manage, control and, if necessary, adapt a mix of international channels
with single channels providing distinct benefits each, while at the same time facilitating synergies across channels (Frasquet, Dawson and Mollá, 2013).

While these are interesting examples of marketing-related capabilities that advance the understanding of entrepreneurial marketing and management during retail SME internationalisation, it is important to emphasise that studies on retail SME internationalisation increasingly underscore the key role of brand identity (e.g. Hutchinson et al., 2007). It is thus expected that marketing-related dynamic capabilities in the context of retail SME internationalisation further concern the transfer of brand identity. In this regard, Weerawardena et al.'s (2007) theoretically developed model of born global firm internationalisation is particularly interesting. Weerawardena et al. (2007: 301) consider marketing-related dynamic capabilities to include “to communicate the credibility of the firm and its offerings”. Considering that the definition of brand identity incorporates the notion of brand promise with brand promise representing “the condensed core of the brand identity” (Burmann, Hegner and Riley, 2009: 116; see section 2.3.2.1 in Chapter Two), communicating credibility is expected to be integral to entrepreneurial marketing-related dynamic capabilities in retail SME internationalisation. Unfortunately, Weerawardena et al. (2007) do not provide concrete examples of how such communicating of credibility is conducted in practice.

Table 3-3 provides an overview of examples of marketing-related dynamic capabilities during internationalisation that inform the theoretical understanding of potential entrepreneurial marketing-related dynamic capabilities of relevance in retail SME internationalisation.
Table 3–3: Selective examples of marketing-related dynamic capabilities of relevance in the context of internationalisation

<table>
<thead>
<tr>
<th>Source</th>
<th>Examples of marketing-related dynamic capabilities</th>
</tr>
</thead>
</table>
| Frasquet, Dawson and Mollá (2013) | Retail internationalisation examples  
- Capability to build a brand  
- Capability to find location and set store design appropriate for specific brand  
- Capability to manage multiple channels  
- Capability to develop and maintain customer relationships |
| Weerawardena et al. (2007) | Capability to formulate effective marketing mix strategies that are critical to identify and access international opportunities (includes: to position products in predominantly niche markets, to conform the product to the needs of niche markets, to communicate the credibility of the firm and its offerings) |
| Sternad, Jaeger and Staubmann (2013) | Product and service-related dynamic capabilities: developing core competences, product/service adaptability, opportunity recognition |

Source: Own compilation, based on mentioned sources.

Beyond a retail internationalisation context, the academic literature would benefit from further exploring entrepreneurial marketing-related sensing, seizing and transforming capabilities. Jantunen, Ellonen and Johansson (2012) in a broader study might have revealed some empirically derived examples of dynamic capabilities, which are somewhat marketing-related. However, their study does not directly address matters of internationalisation, marketing or SMEs. Research on marketing-related dynamic capabilities “to date has not taken into account the underlying components of DCs” (Barrales-Molina, Martínez-López and Gázquez-Abad, 2014: 410). The role of entrepreneurs in this context also remains underdeveloped (Weerawardena et al. 2007). Further, to the best of the author’s knowledge, the transfer of brand identity remains underdeveloped in studies on marketing-related dynamic capabilities.

3.2.4.2 Entrepreneurial networking-related dynamic capabilities

Through networking-related dynamic capabilities, SMEs can compensate resource and competence deficiencies when internationalising (Pinho and Prange, 2016; Villar, Alegre and Pla-Barber, 2014; Weerawardena et al., 2007). Similar to studies in the broader
international business literature (e.g. Agndal and Chetty, 2007), in the context of international entrepreneurship, Mort and Weerawardena (2006) posit that such networking-related capabilities develop alongside internationalisation. In particular, risk and uncertainty during SME internationalisation is reduced (Mort and Weerawardena, 2006). Clearly then, networking and cooperation are a vital part of successful international business development. Mort and Weerawardena (2006) even argue that networking capability is central to the performance in international markets.

With regards to the initial stages of SME internationalisation, entrepreneurs in SMEs utilise their network to generate knowledge about a possible target market and evaluate business potential therein (Weerawardena et al., 2007). Embarking upon a strategy of internationalisation, networking-related dynamic capabilities then help to fulfil the strategic vision and goals of the entrepreneur. Particularly, the complementing of deficient resources and competencies makes up networking-related dynamic capabilities (Mort and Weerawardena, 2006; Weerawardena et al., 2007). This includes the developing market knowledge with the help of the network, which leads to market access through partners (Sternad, Jaeger and Staubmann, 2013). Albeit focussing on the organisational level, in one of the few empirical contributions, Raymond and St-Pierre (2013: 95) further present partnerships in relation to design, R&D, production and marketing as concrete examples of networking-related dynamic capabilities. They argue that, via the leverage of such partnerships, SMEs are enabled “to meet a demand for internationalisation but also competing demands for innovation and productivity”. Since the retail management literature lacks insights into the role of networking during more advanced stages of retail SME internationalisation (see section 2.4.4 in Chapter Two), these examples are valuable for theoretically advancing the understanding of how entrepreneurs might use their network during retail SME internationalisation. Yet, taking into consideration the retail management literature’s call for research on the leverage of marketing support networks (Mitchell, Hutchinson and Quinn, 2013), insights into the leverage of marketing partnerships would be valuable. Raymond and St-Pierre (2013) mention marketing partnerships in the context of networking-related dynamic capabilities. They do not provide information on how exactly such partnerships are leveraged and help SME internationalisation.

Table 3-4 provides an overview of examples of networking-related dynamic capabilities during internationalisation that inform the theoretical understanding of potential entrepreneurial networking-related dynamic capabilities of relevance in retail SME internationalisation.
Table 3-4: Selective examples of networking-related dynamic capabilities of relevance in the context of internationalisation

<table>
<thead>
<tr>
<th>Source</th>
<th>Examples of networking-related dynamic capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mort and Weerawardena (2006)</td>
<td>− Capability to configure resources (build, reconfigure, add, delete) with the help of the network</td>
</tr>
<tr>
<td>Weerawardena et. al. (2007)</td>
<td>− Capability to acquire knowledge with the help of the network</td>
</tr>
<tr>
<td></td>
<td>− Capability to develop complementary resources with the help of the network</td>
</tr>
<tr>
<td>Sternad, Jaeger and Staubmann (2013)</td>
<td>− Capability to develop market access with the help of the network</td>
</tr>
<tr>
<td></td>
<td>− Capability to gain market access with the help of the network</td>
</tr>
<tr>
<td>Raymond and St-Pierre (2013)</td>
<td>− Capability to establish design and R&amp;D partnerships</td>
</tr>
<tr>
<td></td>
<td>− Capability to establish production partnerships</td>
</tr>
<tr>
<td></td>
<td>− Capability to establish marketing partnerships</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on mentioned sources.

More specific understandings and examples of entrepreneurial networking-related dynamic capabilities in relation to SME internationalisation tend to be missing. In light of such shortage, not only the retail management literature would benefit from the study of networking-related dynamic capabilities, but also the wider international entrepreneurship literature.

3.2.5 Dynamic capabilities demand specific entrepreneurial characteristics

Entrepreneurial dynamic capabilities require specific entrepreneurial characteristics that inform their development and manifestation (Alvarez and Busenitz, 2001; Helfat and Peteraf, 2015). These particularly relate to entrepreneurial characteristics such as prior international experience, international entrepreneurial orientation and learning orientation. Taken together, these characteristics provide the starting point for international business development via dynamic capabilities (see Covin and Lumpkin, 2011; Jantunen et al., 2005; Teece, 2014a; Weerawardena et al., 2007). The retail management literature also considers international experience, IEO and learning orientation to enable international entrepreneurial activities, which then underpin international performance (see section 2.4.2 in Chapter Two). Particularly with regards to smaller companies in international contexts, scholars seem to advocate such an indirect as opposed to a direct effect between entrepreneurial characteristics and
international firm performance (e.g. Jantunen et al., 2005; Knight, 2001; Mort and Weerawardena, 2006; Weerawardena et al., 2007). While this study recognises more varied dynamics observed elsewhere (e.g. Rauch et al., 2009), it follows those contributions.

Figure 3-1 depicts this study’s understanding that characteristics inform entrepreneurial dynamic capabilities. These then stimulate differentiation and superior competitiveness.

**Figure 3-1: Relation between entrepreneurial characteristics, entrepreneurial dynamic capabilities and their potential for influencing international firm performance**

Source: Own design, based on findings from retail management and international entrepreneurship literature (e.g. Jantunen et al., 2005; Weerawardena et al., 2007; Zahra, Sapienza and Davidsson, 2006).

Since the retail management literature remains immature with respect to crucial entrepreneurial characteristics informing entrepreneurial actions during retail SME internationalisation, insights from the international entrepreneurship literature are now discussed in order to theoretically advance the understanding in this regard.

3.2.5.1 *International experience*

The positive influence of an entrepreneur’s international experience on international business development is widely recognised in relation to entrepreneurial dynamic capabilities (e.g. Helfat and Peteraf, 2015; Weerawardena et al., 2007). It is argued that international experience not only supports the development of the motivation and ambition to internationalise, but also generates management know-how and industry-specific expertise (Peiris, Akoorie and Sinha, 2012; Westhead, Wright and Ucbasaran, 2002; Weerawardena et al., 2007). More specifically, entrepreneurs, it is argued, follow a so-called heuristics-based logic and “build from limited or key experiences and beliefs” (Alvarez and Busenitz, 2001:758). With this logic, entrepreneurs can fasten their assessment of situations and correspondingly the decision-making process as well as expand their knowledge base (Busenitz and Barney, 1997; Helfat and Martin, 2015; Helfat and Peteraf, 2015; Tversky and
Kahneman, 1974). Prior international experience further can limit the possible negative effects of psychic distance on internationalisation with entrepreneurs being more open to explore and exploit opportunities in culturally distant markets (Johanson and Vahlne, 1977, 1990). Internationally experienced entrepreneurs further often have access to strategic partners in an international environment and show lower reluctance towards drawing on their support during internationalisation (e.g. Reuber and Fischer, 1997; Westhead, Wright and Ucbasaran, 2002). These results are consistent with initial studies in the retail management literature, which similarly note on varied types of international experience and their resultant benefits on retail SME internationalisation (e.g. Hutchinson, Quinn and Alexander, 2006 a, b).

While it is extensively reported that international experience positively influences internationalisation, in what situations and how exactly entrepreneurs draw on prior international experience during internationalisation remains underdeveloped in the context of international entrepreneurship (Jones and Casulli, 2014; Lamb, Sandberg and Liesch, 2011). Further advancing the understanding of how entrepreneurs compare between prior experience and new circumstances thus would provide a vital contribution (Jones and Casulli, 2014).

3.2.5.2 International entrepreneurial orientation

International entrepreneurial orientation (IEO) is presented as an enabler of dynamic capabilities during the international business development of SMEs (e.g. Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007). Originally, entrepreneurial orientation with its distinct facets is understood to be a firm-level phenomenon, also referred to as corporate entrepreneurship (Lumpkin and Dess, 1996). However, when transferring the entrepreneurial orientation construct into an international context, international entrepreneurial orientation is mainly presented as an individual-level phenomenon in the respective literature while firm-level analysis is an exception (Covin and Miller, 2014; Keupp and Gassmann, 2009).

In the context of IEO, it is argued that new market entry follows the international entrepreneurial orientation of a founder or a founding team (Covin and Miller, 2014; Keupp and Gassmann, 2009, Weerawardena et al., 2007). This entrepreneurial orientation can be clustered into five distinct dimensions: innovativeness, risk-taking, proactivity, autonomy and competitive aggressiveness. Innovativeness captures an entrepreneurial willingness to grow beyond existing firm structures, processes, technologies and instead to embrace creativity, novelty or experimentation. Risk-taking can, for example, consider a financial commitment such as high borrowing or non-conservative investing, as well as activities beyond tried-and-tested paths or allocating different types of resources towards projects with high uncertainty.
Proactivity embraces initiative in the anticipation and exploitation of international market opportunities. Entrepreneurial autonomy relates to an independent and autonomous strategic vision and actions driving new entry. Competitive aggressiveness denotes an entrepreneurial tendency to face and to combat the intensity of competitive rivalry resulting from new entry (Lumpkin and Dess, 1996; Lyon et al., 2000). While Lumpkin and Dess (1996) suggest five dimensions, authors commonly focus only on the three dimensions of innovativeness, risk-taking and proactivity (e.g. Covin and Miller, 2014; Covin and Slevin, 1989; Hughes, Hughes and Morgan, 2007; Real, Roldán and Leal, 2014; Swoboda and Olejnik, 2016). In the remainder of this thesis, those three dimensions are thus focussed upon.

With regards to studies presenting IEO as an individual-level construct (e.g. Weerawardena et al., 2007), it needs to be noted that, as observed by Covin and Miller (2014), these studies rely on upper-echelons-logic as proposed by Hambrick and Mason (1984). Upper-echelons-logic suggests firm-level IEO to be a reflection of individual-level IEO. While Keupp and Gassmann (2009) posit that IEO is measured at an individual level, Covin and Miller (2014) highlight the absence of studies that truly measure EO as an individual-level construct in the international entrepreneurship literature. Contributions on international entrepreneurial orientation are further limited to quantitative methods or theoretical conceptualisations: "[w]hat are missing are fine-grained qualitative pieces of research that could help to lay bare the concept of IEO—or its nature in different national contexts" (Covin and Miller, 2014: 35). Thus, not only the retail-management literature would benefit from qualitative studies on the concept of IEO during retail SME internationalisation.

3.2.5.3 Learning orientation

Several authors present an entrepreneur’s learning orientation as a pivotal component of an entrepreneurial profile, which precedes dynamic capabilities. Learning orientation, it is argued, captures the entrepreneur’s openness to understand SME internationalisation as an act of learning (Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007). Indeed, the DCV and learning are closely related. While it is acknowledged that there are different views on how specifically dynamic capabilities and learning interrelate (see Prange and Verdier, 2011), this study follows the understanding that learning underpins dynamic capabilities (Easterby-Smith and Prieto, 2008; Eisenhardt and Martin, 2000; Teece, 2014a, b, 2017). For example, Teece (2014 a: 337) claims that dynamic capabilities are built through learning, since these require the business to ascertain:
“(1) what customers want, (2) what new technologies might allow, (3) what aspects of the business model are working, and (4) whether the current strategy is effective and the company is on the path toward building a great business.”

This relates back to the understanding that ambidexterity is integral to dynamic capabilities (see section 3.2.4 in Chapter Three). Exploration implies generating new knowledge and seeing new possibilities under uncertain circumstances (~sensing). Exploitation refers to refining and extending existing knowledge and possibilities under more certain circumstances (~seizing, transforming) (Al-Aali and Teece, 2014; March, 1991; Prange and Verdier, 2011; Teece, 2014a). Yet, learning in itself is a result of repeated practice (exploitation of knowledge) and experimentation (exploration of knowledge) (Easterby-Smith and Prieto, 2008; Eisenhardt and Martin, 2000; Teece, 2014a). The DCV and knowledge-based view of the firm overlap (Easterby-Smith and Prieto, 2008). These insights are particularly beneficial for advancing the theoretical understanding. Overseas experiences gained in previous markets and their impact on subsequent international business development – entrepreneurial learning – remains underdeveloped in research on retail SME internationalisation (see section 2.4.2 in Chapter Two).
3.3 Summary

In order to overcome shortcomings of the retail management literature, this chapter has explored the international entrepreneurship literature. International entrepreneurship is established as particularly promising to advance the understanding of retail SME internationalisation. This field considers internationalisation an entrepreneurial act and thereby bridges the gap between entrepreneurship, international business and international marketing research (e.g. Coombs, Sadrieh and Annavarjula, 2009). By combining the RBV and DCV with international entrepreneurship, a long-term and dynamic process perspective on the entrepreneur’s exploration and exploitation of international opportunities is provided. So-called entrepreneurial dynamic capabilities focus on the manipulation of VRIN resources into a new value-creating strategy that supports differentiation from competition (e.g. Teece, Pisano and Shuen, 1997). In contrast to ordinary capabilities concerned with continuous and basic functional activities in terms of selling the same static bundle of products on the same scale and scope to existing customers, dynamic capabilities thus embrace agility, newness and change (e.g. Karna, Richter and Riesenkampff, 2016, Winter, 2003). Entrepreneurial characteristics of international experiences, learning orientation and international entrepreneurial orientation inform entrepreneurial decision-making and problem-solving in this context. As Chapter Two has shown, the literature on retail SME internationalisation remains immature with respect to entrepreneurial characteristics and behaviours.

The international entrepreneurship literature would benefit greatly from a retail SME internationalisation study based on its concepts. Most notably, there are significant contradictions in the precise construction of dynamic capabilities, leading to a bifurcation of the literature. It is spoken of “the elephant in the room of dynamic capabilities” (Peteraf, Di Stefano and Verona, 2013). Particularly the study of dynamic capabilities in the retail sector is proposed to potentially contribute to reconciliation by possibly revealing dynamic capabilities that incorporate aspects of the differing views (Peteraf, Di Stefano and Verona, 2013). Most contributions on dynamic capabilities further are theoretical in nature and focus on larger firms (e.g. Jantunen, Ellonen and Johansson, 2012).
4 CONCEPTUAL FRAMEWORK: THE ENTREPRENEURIAL ACT OF RETAIL SME INTERNATIONALISATION

4.1 Key dimensions and components of the conceptual framework

Chapter Four merges the insights from the review of the retail management and international business literature, providing a conceptual framework that represents the starting point to further develop and refine theory on retail SME internationalisation. This framework provides clear structure, scale and scope for the data collection and analysis undertaken in this study.

Following the emphasis of both the retail management and international entrepreneurship literature that SME internationalisation can be considered an entrepreneurial act (e.g. Lloyd-Reason and Mughan, 2002; McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2006), the entrepreneur is at the heart of the conceptual framework. More specifically, as suggested in a variety of international entrepreneurship studies (e.g. Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007; Zahra, Sapienza and Davidsson, 2006), the dimensions of entrepreneurial characteristics, entrepreneurial dynamic capabilities and their potential for contributing to international firm performance are considered:

— Entrepreneurial characteristics inform entrepreneurial decision-making and problem-solving.
— Entrepreneurial dynamic capabilities address the continuous re-creation and renewal of a resource base and are clustered into sensing, seizing and transforming capabilities.
— Differentiation and superior competitiveness are potentially promoted by these entrepreneurial dynamic capabilities.

4.1.1 Entrepreneurial characteristics

The entrepreneur’s international experience, international entrepreneurial orientation, and learning orientation are suggested to inform entrepreneurial decision-making and problem-solving, including matters of resource manipulation in the context of dynamic capabilities (e.g. Covin and Lumpkin, 2011; Teece, 2014a). As such, the framework proposes entrepreneurial characteristics to have an indirect effect on international firm performance – via dynamic capabilities – as opposed to a direct influence on firm performance (e.g. Jantunen et al., 2005; Weerawardena et al., 2007).
4.1.2 Entrepreneurial dynamic capabilities

With the DCV, the international entrepreneurship research area provides a long-term and dynamic process perspective on the entrepreneur’s exploration and exploitation of a firm’s resource base during internationalisation. Dynamic capabilities are strategic processes that manipulate VRIN resources such as brand identity into a new value-creating strategy, which enables differentiation from and superiority to competition (e.g. Peteraf, Di Stefano and Verona, 2013). Given the characteristics of retail SMEs, crucial dynamic capabilities are embedded within the contexts of marketing and networking. Therein, Teece’s (2014) tripartite schema of sensing, seizing and transforming is employed. By including sensing, seizing and transforming capabilities as opposed to more explicit examples of dynamic capabilities, this study acknowledges the early stages of development with respect to the role of the entrepreneur in SME internationalisation and the conceptualisation of dynamic capabilities. In light of inductive and qualitative methods of data collection and analysis (see section 5.3 in Chapter Five), specific examples of dynamic sensing, seizing and transforming capabilities will be revealed in later chapters of this dissertation based on empirical results.

This study considers marketing-related dynamic capabilities to be vital to retail SME internationalisation since brand identity is found to be a key resource that enables differentiation (e.g. Ailawadi and Keller, 2004; Burt and Davies, 2010; Urde, 1999). Combining the input from the different streams of research, marketing-related dynamic capabilities are suggested to include:

— the entrepreneur’s identification and assessment of international market opportunities for the brand identity (sensing)
— the entrepreneur’s mobilisation of brand identity to address international market opportunities, and to capture value from doing so (seizing)
— the entrepreneur’s continued renewal and adjustment of the brand identity as a key resource and its seizing in international markets (transforming)

Entrepreneurial networking-related dynamic capabilities are further proposed to promote retail SME internationalisation by compensating resource and competence deficiencies (e.g. Mort and Weerawardena, 2006). Here, it is focused on personal networking as a heightened relevance of the personal network is observed with respect to entrepreneurs (see section 2.4.4. in Chapter Two). Combining input from the different research streams, networking-related dynamic capabilities are suggested to include:
— the entrepreneur’s identification and assessment of international market opportunities that is assisted by their personal network (sensing)
— the entrepreneur’s mobilisation of resources to address international market opportunities, and to capture value from doing so assisted by their personal network (seizing)
— the entrepreneur’s continued renewal and adjustments of resources and their seizing assisted by their personal network (transforming)

4.1.3 Contribution of entrepreneurial dynamic capabilities

Both entrepreneurial marketing- and networking-related dynamic capabilities are proposed to build and maintain the process of retail SME internationalisation. Marketing-related dynamic capabilities are expected to facilitate the establishment of a niche-based positioning in international markets, similar to suggestions in broader studies on SME internationalisation (see Moore and Fairhurst, 2003; Weerawardena et al., 2007). Networking-related dynamic capabilities refer to international market access and international business development assisted by the personal network (see Mort and Weerawardena, 2006). As such, entrepreneurial marketing- and networking-related dynamic capabilities compose a new value-creating strategy that sustains the process of internationalisation. Their contribution to the process of retail SME internationalisation may possibly, not per se, lead to temporary or sustained competitive advantage (Peteraf, Di Stefano and Verona, 2013; Zahra, Sapienza and Davidsson, 2006).

Dynamic capabilities are inevitably linked to a new value-creating strategy as well as VRIN resources. When exploring entrepreneurial marketing-related and networking-related dynamic capabilities, their positive contribution to value creation and differentiation during retail SME internationalisation is considered in this study (see Zahra, Sapienza and Davidsson, 2006). It is, however, not intended to measure or quantify the ultimate effect of dynamic capabilities on international firm performance in terms of temporary or sustained competitive advantage. This relates to the definition of dynamic capabilities developed in this study and the understanding that “a good definition should not define the concept in terms of its results. [...] [C]apabilities are necessary but not sufficient for conditions with a sustained advantage” (Zahra, Sapienza and Davidsson, 2006: 942).

Figure 4-1 depicts the conceptual framework with its key dimensions and components and their relations as explained in the proceedings of Chapter Four.
**Source:** Own design, merging findings from the retail management and international business literature on SME internationalisation (See APPENDIX A for a simplified framework with key references).
4.2 Research questions

In line with this framework, the following primary and secondary research questions are addressed:

**Research Question 1:** How do the entrepreneur’s characteristics inform entrepreneurial decision-making and problem-solving in retail SME internationalisation?

— How do the entrepreneur’s international experience, international orientation as well as learning orientation underpin entrepreneurial dynamic capabilities?

**Research Question 2:** How do the entrepreneur’s marketing-related dynamic capabilities re-create and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?

— What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating a niche-based differentiation based on brand identity in international retail markets?

— How does a niche-based differentiation support a sustained retail SME internationalisation process?

**Research Question 3:** How do the entrepreneur’s networking-related dynamic capabilities re-create and renew a firm’s resource base, building and maintaining retail SME internationalisation?

— What are the crucial network-assisted sensing, seizing and transforming capabilities of the entrepreneur stimulating market access and international business development?

— How do network-assisted market access and international business development support a sustained retail SME internationalisation process?

As such, in contrast to studies by Fernhaber (2013), Moore and Fairhurst (2003) and Kaleka (2011), the current study does not focus on testing hypotheses or measuring and comparing the causal relationships between different dynamic capabilities and their quantifiable effect on competitiveness or performance. Rather, it focuses on “how” questions of retail SME internationalisation. “How” questions are related to exploratory research (e.g. Perry, 1998, 2001; Rowley, 2012). Both the retail management and international business literature call for qualitative exploratory research in relation to SME internationalisation (e.g. Covin and Miller, 2014; Hutchinson et al., 2007; Teece, 2012; Weerawardena et al., 2007).
5 RESEARCH METHODOLOGY

5.1 Introduction

Due to the lack of research on retail SME internationalisation and this study’s research questions asking ‘how’ entrepreneurial characteristics and dynamic capabilities underpin retail SME internationalisation, a qualitative exploratory research design is deemed appropriate. Certainly, there are scholars adopting a quantitative research design in international retail studies, for example when previous work provides frameworks or propositions to be tested or a clear hypothesis can be developed at the outset of a study (e.g. Evans, Mavondo and Bridson, 2008; Schu and Morschett, 2017). Here, however, where theory development is still at an early stage, qualitative research is more suitable. It is argued that such research design provides the opportunity to generate rich and in-depth data into an underdeveloped phenomenon, enabling theory development and refinement (see Easterby-Smith, Thorpe and Jackson, 2010; Saunders, Lewis and Thornhill, 2009; Swanborn, 2010; Yin, 2009). Not only the retail management literature advocates a qualitative research design to help theory development (e.g. Alexander and Doherty, 2010), but also a significant amount of literature on international entrepreneurship and dynamic capabilities (e.g. Covin and Miller, 2014; Riviere, Suder and Bass, 2018; Teece, 2012; Weerawardena et al., 2007).

Following the consideration of the research philosophy that underpins this work, Chapter Five provides specifics of the inductive and qualitative nature of this work. Then, the rationale for and a detailed discussion of particulars of the interview study design are provided. This leads to a description of techniques and procedures for data collection and data analysis. Lastly, Chapter Five addresses considerations of quality, researcher reflexivity and ethics.
5.2 Philosophical underpinnings of research design

Understanding and reflecting on one’s philosophical position is considered crucial as it creates awareness about a researcher’s position towards knowledge development and the nature of knowledge. As such, this thought process includes consideration of the dimensions of ontology, epistemology, axiology and methods. More specifically, the study of ontology addresses the nature of reality, while a focus on the nature of knowledge is integral to epistemology concerns. Concerns with axiology include acknowledging the role of personal values throughout the research process. Such considerations are inevitably linked to the clarification and justification of a research design suitable for a particular research project. While there exist a multitude of philosophical positions as well as variations between philosophies based on these dimensions, it is important to note two contrasting philosophical perspectives: positivism and interpretivism (Easterby-Smith, Thorpe and Jackson, 2010; Patton, 2002; Saunders, Lewis and Thornhill, 2009). This study is underpinned by the philosophy of interpretivism, which is explained by the nature of the research problem at hand.

Table 5-1 shows characteristics typically associated with positivism and interpretivism, clarifying the contrasting nature of these philosophical perspectives.
Table 5–1: Positivism versus interpretivism

<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Interpretivism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology: what is reality?</strong></td>
<td>— External</td>
<td>— Socially constructed</td>
</tr>
<tr>
<td></td>
<td>— Objective and independent of social actors</td>
<td>— Subjective and potentially subject to change</td>
</tr>
<tr>
<td></td>
<td>— Truth requires verification of predictions</td>
<td>— Multiple realities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— Truth depends on who establishes it</td>
</tr>
<tr>
<td><strong>Epistemology: what constitutes acceptable knowledge?</strong></td>
<td>— Only observable phenomena can provide credible data, facts</td>
<td>— Subjective meanings and social phenomena</td>
</tr>
<tr>
<td></td>
<td>— Focus on causality and law like generalisations</td>
<td>— Focus upon general understanding of situation and the details of situation, a reality behind these details</td>
</tr>
<tr>
<td></td>
<td>— Concepts need to be defined so that they can be measured</td>
<td>— Unit of analysis may include complexity of ‘whole’ situation</td>
</tr>
<tr>
<td></td>
<td>— Reducing phenomena and units of analysis to simplest elements</td>
<td>— Concepts should incorporate stakeholder perspectives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>— Subjective meanings motivating actions</td>
</tr>
<tr>
<td><strong>Axiology: what role do own values play in research?</strong></td>
<td>— Research is undertaken in a value-free way</td>
<td>— Research is value bound</td>
</tr>
<tr>
<td></td>
<td>— Researcher is independent of the data and maintains an objective stance</td>
<td>— Researcher is part of what is researched, so will be subjective</td>
</tr>
<tr>
<td><strong>Research methodology</strong></td>
<td>— Highly structured / deductive</td>
<td>— Inductive</td>
</tr>
<tr>
<td></td>
<td>— Large random samples</td>
<td>— Small samples chosen for specific reasons</td>
</tr>
<tr>
<td></td>
<td>— Measurement</td>
<td>— In-depth investigations</td>
</tr>
<tr>
<td></td>
<td>— Typically quantitative methods, but can use qualitative</td>
<td>— Analysis through sense-making</td>
</tr>
<tr>
<td></td>
<td>— Analysis through verification/ falsification</td>
<td>— Generalisation through theoretical abstraction / analytical generalisability</td>
</tr>
<tr>
<td></td>
<td>— Generalisation through statistical probability</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own compilation, based on Saunders, Lewis and Thornhill (2009: 119) and Easterby-Smith, Thorpe and Jackson (2010: 56 ff.).
As the literature review made evident, research on retail SME internationalisation is immature with regards to the role of the entrepreneur. Research questions asking how entrepreneurial characteristics and dynamic capabilities build and maintain retail SME internationalisation are found particularly interesting to foster theory development. In interpretivism, such limited prior theory and research questions asking about how phenomena enfold comprise the basis upon which deep insights can be inductively developed as a phenomenon is experienced during data collection and analysis. In contrast, positivist research is based on a substantial theory basis upon which well-defined hypothesis can be deductively developed and tested during data analysis. Verification and falsification, as opposed to sense-making in interpretivist research, is central in analysis (e.g. Andriopoulos and Slater, 2013; Easterby-Smith, Thorpe and Jackson, 2010; Patton, 2002; Saunders, Lewis and Thornhill, 2009; see Table 5-1).

Therefore, in light of the limited theory basis and the related nature of the research problem, this study applies an interpretivist philosophy and therefore inductively develops and refines theory. Whilst the present chapter does not seek to provide an extended discussion of current debates on interpretivism as a research philosophy, a few points require further elaboration with respect to approaching the role of the entrepreneur in retail SME internationalisation from an interpretivist viewpoint.

Applying the research philosophy of interpretivism, the main ontological approach guiding this study is social constructionism in which reality is considered socially constructed and interpreted by social actors (Cunliffe, 2003; Patton, 2002; Saunders, Lewis and Thornhill, 2009). With respect to mutualist theory of meaning, it is argued “that there is no conclusive version of social events which can lie outside of the discursive production of those events” (Hackley, 1998: 125). Thus, it is acknowledged that the interview respondents included in this study share their individual truths about how entrepreneurial characteristics and capabilities are relevant during international market expansion. It is also recognised that these subjective reports can then be interpreted on different levels with the researcher collecting and analysing interview data creating his or her own individual truth. However, social constructionism and the closely linked mutualist theory of meaning does not suggest the resulting analysis is of a fictive nature. On the contrary, standard and highly structured procedures with regards to interpreting data are valued in social constructionism and are pursued in this thesis (e.g. Hackley, 1998). For example, section 5.6.2 provides details on the widely acknowledged procedures that underpin in-depth content analysis in this study, which includes the elimination of rival explanations during interpretation. It is argued that a certain degree of subjectivity remains, so that multiple realities and individual truths co-exist (Cunliffe, 2003; Easterby-Smith, Thorpe and Jackson, 2010; Hackley, 1998; Patton, 2002; see Table 5-1).
It follows logically from this ontological position that subjective meanings and social phenomena are considered as epistemologically acceptable knowledge (Easterby-Smith, Thorpe and Jackson, 2010; Saunders, Lewis and Thornhill, 2009). Subjective meanings provided by interviewees are considered a legitimate starting point for developing and refining knowledge about the role of the entrepreneur. At the same time, however, data triangulation through the use of supplementary sources such as documentary and archival reports is valued and applied in this study (see section 5.5.3 in Chapter Five). According to Easterby-Smith, Thorpe and Jackson (2010), triangulation is integral to relativism and not integral to social constructionism, the ontological underpinning of this study. Working within variations of philosophical traditions, however, is common in management research and typically linked to a particular research purpose (Easterby-Smith, Thorpe and Jackson, 2010).

With respect to axiology, the researcher understands that her values influence the interaction with interviewees as well as analysis and interpretation of results (Easterby-Smith, Thorpe and Jackson, 2010; Saunders, Lewis and Thornhill, 2009).

McAuley (2010) observes that SME research has seen a shift away from a positivist standpoint, which was particularly popular in the 1980s and 1990s, toward interpretivist research. Indeed, Ekanem (2007) contends that positivist approaches with an objective epistemological position and quantitative research methods are inadequate to answer questions in relation to the how and why of entrepreneurial decision-making processes in SMEs. Teece (2014:335) doubts the appropriateness of positivism in research on dynamic capabilities, a key focus of this study, by stating that “management theory is not physics.” Yet, interpretivist work is subject to criticism. According to Andriopoulos and Slater (2013:387), interpretivist qualitative work in the area of international marketing often faces accusations such as developing “new ideas in an unsystematic manner (for instance, through a handful of interviews or a few days of unsystematic research)”. Amongst others (e.g. Patton, 2002; Yin, 2009), they argue that offsetting such accusations and counteracting a corresponding negative image of qualitative research is possible by being systematic and transparent in the design and conduction of qualitative research.

5.3 Qualitative exploratory research approach

A purist inductive approach develops theory based on empirical results generated throughout the particular study. It is free of a priori assumptions or frameworks (e.g. Patton, 2002; Saunders, Lewis and Thornhill, 2009). Here, however, a more moderate approach to induction was applied. Johnston (2014:210) emphasises that an inductive approach to theory
development does not suggest ignoring theory or knowledge prior to data collection but instead to ensure neutrality in terms of "no pre-judgement taking place." It was therefore contended that theory development is an important part of the design phase of qualitative research. The theory discussed in the literature review and the resulting research conceptualisation provided a theoretical and methodological context for this study. By setting the scale and scope, the author seeks to generate data that contributes to existing debates and related theory development.

At the same time, openness towards the exploration of themes that had not previously been included in the research conceptualisation but were considered important during the process of data collection was apparent. In this respect, Dubois and Gadde’s (2002) idea of systematic combining was followed, which emphasises the researcher moving between data collected and the research conceptualisation. This approach supported the author’s aim to develop theory from empirical results that lead to the further refining of a framework, which covers how entrepreneurial characteristics and dynamic capabilities sustain retail SME internationalisation. Systematic combining seeks to develop new concepts and models in the context of theory development and refinement rather than theory generation (Dubois and Gadde, 2002).

Rejecting a purist inductive approach, this study did not embrace the grounded theory method. Amongst other aspects, both a literature review and a theoretical research framework as employed in this study do not comply with a grounded theory method (e.g. Suddaby, 2006). In the grounded theory method and unlike the approach taken here, questions and analytical frameworks do not become apparent in the process of reviewing literature but during later stages of data collection and analysis (Easterby-Smith, Thorpe and Jackson, 2010; Rowles, 2012; Tracy, 2010). Further, grounded theory method is inappropriate for this study’s research focus. Grounded theory is “attentive to how [...] subjective experiences can be abstracted into theoretical statements about causal relations between actors” (Suddaby, 2006: 635). Here, theoretical statements about causality are not of interest. The qualitative in-depth exploration of how entrepreneurial characteristics and dynamic capabilities drive retail SME internationalisation is targeted (see section 4.2 in Chapter Four).

5.4 Interview study design

A qualitative interview study design was applied to this research. The main aspect of data collection took place in the form of semi-structured interviews as these allow exploring the role of the entrepreneur during retail SME internationalisation in-depth and in its real-life setting.
Interviews reflect retrospective reports, accounts of facts, beliefs, activities and motives related to the phenomenon under investigation. These reports provide important information such as personal experiences and insights not available from other sources. As such, interviewing is understood to foster richness of data (Huber and Power, 1985; Yin, 2009; Patton, 2009; Rowley, 2012).

Whilst interviews – especially those with elite informants as conducted in this study – offer a particularly valuable source of data for exploring the role of the entrepreneur in retail SME internationalisation, this method is linked to problems such as potential loss of control and power imbalance in disfavour of the researcher (e.g. Schoenberger, 1991). However, against the background of her previous research projects and working experience, the researcher was particularly suited to combat these problems and, thus, to successfully execute an interview-study design in practice. She has already conducted a single case study on the internationalisation of a German retail SME with elite interviews comprising a significant source of data. The aforementioned study was published in the Journal “International Review of Retail, Distribution and Consumer Research”. She further has extensive practical knowledge and working experience in the area of SME internationalisation with respect to both international retail and wholesale operations. This improved aspects of positionality, power and control in the interviewing of elites as conducted for this study. Hallsworth and Ekinsmyth (1996) pick up on this point and, amongst other aspects, discuss power and positionality in elite interviews. They highlight that the power relationship in elite interviews is typically not in favour of the researcher but the elite being interviewed, especially if the researcher is female and the elite male. Due to their high-status job position, elites typically execute control and authority over others, which may result in elites steering the conversation towards thematic areas that are not of direct relevance for the research project but rather related to a personal agenda of the elite. Given her practical knowledge and experience, the researcher was able to signal professional credibility and competence – a process Herod (1999: 321) calls “self-positioning the self”. The researcher thus achieved a competent and strong position in the elite interviews conducted for this study, balancing out the power relation and consciously managing the distance to the elite. As a consequence, the researcher was always able to retain control over the flow of the conversation in order to establish a collaborative dialogue (see Hallsworth and Ekinsmyth, 1996; Herod, 1999; McDowell, 1998; Schoenberger, 1991). Furthermore, given the international orientation of her former employment as well as her experience in international study programmes, the researcher did not encounter problems of cross-cultural understanding and communication when interviewing foreign elites (see Herod, 1999).
By employing an interview design and recognising interviews as main source of evidence, this study rejected a case study design. The practicability of Yin's (2009) formal definition of a case study, a well-established and commonly used definition (e.g. Perry, 2001; Rowley, 2012), was doubted in the context of SME internationalisation research. Yin’s (2009) formal definition can be divided into two layers: the scale and scope layer, and the technical layer. One may argue that the present research complies with the scale and scope layer of the definition, which emphasises the investigation of “a contemporary phenomenon in depth and within its real-life context” (Yin, 2009: 18). The technical requirements of a case study, however, seem more difficult to achieve with respect to much SME research. Amongst other aspects, the technical layer highlights the relevance of collecting and combining data from multiple data sources (Eisenhardt, 1989, 2013; Gibbert, Ruigrok and Wicki, 2008; Yin, 2009). With regards to SMEs, however, qualitative studies largely rely on interviews as a dominant source of evidence while other sources only supplement interview findings (see Amal and Filho, 2010; Spence and Essoussi, 2010). This may be explained by observations made elsewhere and during the research process of the present study. Data sources other than interviews, especially within SMEs so it appears, are not only limited but also frequently restricted in extent (e.g. Agendal and Chetty, 2007; Saunders, Lewis and Thornhill, 2009; Yin, 2009). In light of the limited availability of data from sources other than interviews, it is argued that a case study method is unviable when seeking to study the role of the entrepreneur in retail SME internationalisation. Some scholars find it acceptable to present their research as a case study when interviews serve as major data source and other data sources only play a minor role (see Eisenhardt and Graebner, 2007). This study, however, adheres to Yin’s (2009) strict understanding in that multiple data sources need to be of crucial relevance. Yin (2009: 118) clearly proclaims:

“Without such multiple sources, [...] what started out as a case study may turn into something else. For example, you might overly rely on open-ended interviews as your data, giving insufficient attention to documentary or other evidence to corroborate the interviews. If you then complete your analysis and study, you probably will have done an ‘interview’ study [...] but you would have not done a case study.”

In light of Yin’s (2009) strict understanding about what constitutes a case study and the fact that data sources other than interviews were limited (Agendal and Chetty, 2007; Saunders, Lewis and Thornhill, 2009; Yin, 2009), this research constitutes an interview study. In this context, data from other sources is included in order to triangulate the evidence and probe sufficiently (see section 5.5.3 in Chapter Five).

While a case study design is rejected, design, structure and control of data collection and analysis show methodological considerations similar to those of case study research. In particular, Yin (2009) is recognised to present an extensive understanding of design logic,
data collection and analysis techniques for qualitative research (e.g. Easterby-Smith, Thorpe and Jackson, 2009; Rowley, 2012). Before detailing interview data collection techniques and procedures, the different types of interviews conducted are now discussed.

5.4.1 Macro-level interviews

The research framework as presented in Chapter Four was further refined and specified prior to firm-related data collection with the help of macro-level interviews. Amongst others (e.g. Perry, 2001; Schoenberger, 1991), Qu and Dumai (2012) highlight the importance of developing topic-specific expertise prior to data collection in relation to specific firms. Indeed, given her working experience, the researcher already was equipped with considerable practical knowledge and competence regarding retail SME internationalisation. In addition, in a first step of data collection, macro-level respondents such as well-experienced experts from consultancy and government organisations were consulted for their informed perspective and general insights into the centrality of entrepreneurs and important entrepreneurial capabilities during retail SME internationalisation (see APPENDIX B for macro-level expert interview schedule). This step supported the systematic combining of the theoretical propositions developed in the literature review with macro-level empirical data (e.g. Dubois and Gadde, 2002; Perry, 1998, 2001).

By providing first empirical substantiation, macro-level exploratory interviews are a valuable tool prior to firm-related research that “helps to keep a researcher on the right track as far as construct validity is concerned (Perry, 2001: 319). Construct validity concerns the suitability of operational procedures and measures to capture a specific phenomenon under investigation, and to minimise the researcher’s subjective judgement in this regard (Gibbert and Ruigrok, 2010; Perry, 1998, 2001). Macro-level interviews provided valuable insights into the role of the entrepreneur, which helped to refine interview guidelines for firm-related data collection.

Macro-level interviews further served the external validity of findings with respect to analytical generalisability. Findings of this study are not only based on firm-related data but also insights into the role of the entrepreneur from an industry-wide and neutral perspective (Perry 1998, 2001). As section 5.7 will detail, generalisability is an important consideration in relation to qualitative research in terms of whether findings are relevant for and applicable to retail SMEs beyond the particular studied sample. While this study is not generalisable to a wider population in a statistical sense, generalisation through theoretical abstraction – generalisation from empirical data to theory – is possible (e.g. Eisenhardt, 1989; Patton,
2001; Perry, 2001; Rowley, 2012, Yin, 2009). Macro-level interviews ensure the accuracy of firm-related interview data and, as such, foster analytical generalisability of findings (Perry, 2001).

5.4.1.1 Selection of macro-level interviewees
This study identified well-experienced experts from consultancies and SME associations as macro-level interview candidates that support the exploration of retail SME internationalisation in a broader context. With regards to the inclusion of firms from Belgium, Germany and the UK in this study (see section 5.4.2.1 in Chapter Five), online research first sought to identify leading European consultancies, governmental institutions as well as associations knowledgeable about retail SME internationalisation. Within these organisations, the identification of potential interview candidates was driven by the need to choose the informant most knowledgeable about the phenomenon under investigation, for example consultants within the area of SMEs and international business, as opposed to convenience (see Huber and Power, 1985). Senior level employees qualified as elite informants due to their role in top management and significant expertise in the particular area of interest (see Mikecz, 2012; Welch et al., 2002).

Succeeding in overcoming significant challenges with regards to gaining access (see section 5.5.1 in Chapter Five), a total of 10 elite-informants were interviewed (see APPENDIX C for list of macro-level respondents). These experts were not employed by a retail SME. They thus offered an important external and informed perspective.

5.4.2 Firm-related interviews
The second and major component of this interview study was to collect and analyse data within carefully selected firms. Including several as opposed to a single firm allowed the exploration of the role of the entrepreneur during retail SME internationalisation within a number of firm settings. The rationale for a design involving several firms was closely connected to the logic of replication. Replication refers to a series of firms with the consideration of each firm as distinct and discrete. Replication logic is central to theory development and refinement from firms as it helps to understand patterns more easily and minimises chance (Eisenhardt, 1989; Eisenhardt and Graeber, 2007). Replication logic allowed each firm to confirm and extend suggested relationships and logic in relation to entrepreneurial characteristics and capabilities. This also allowed the continuous refinement of the research conceptualisation: "by piecing together the individual patterns, the researcher was enabled to draw a more complete theoretical picture"
In doing so, the credibility of findings was promoted (Eisenhardt, 1989; Eisenhardt and Graebner, 2007; Yin, 2009).

5.4.2.1 Selection and overview of participating firms based on replication logic

Replication logic required to carefully select firms included in this study. To Yin (2009: 54), a simple approach to firm selection is to select firms that "either a) predict similar results (a literal replication) or b) predict contrasting results but for anticipateable reasons (a theoretical replication)." This study, however, follows a more advanced approach. Particularly through combining literal and theoretical replication, robustness of findings is fostered (e.g. Perry, 2001; Yin, 2009). Thus, both literal and theoretical replication determined firm selection.

In terms of literal replication, the author considered the definition of an internationally operating retail SME as developed in section 2.2.1 in Chapter Two. While this definition was deemed largely appropriate to select retail SMEs, one adaptation was necessary. In light of theoretical replication, the remainder of this chapter will reveal Belgium, Germany and the United Kingdom as countries of origin of participating firms. Various British and German state institutions include firms of larger size in terms of turnover and employees in their SME definitions (e.g. IfM, 2016; United Kingdom Government Department for Business, Innovation and Skills, 2012). Also, for example, Swoboda and Olejnik (2016) in their study on German SMEs include firms with a turnover beyond €50 million. Following these examples, this study included retail SMEs with a headcount beyond 250 employees and annual turnover beyond €50 million. Macro-level respondents confirmed the appropriateness of this increase. Beyond raising the turnover figure to €500 million, no further adaptations of the retail SME definition were deemed necessary.

In relation to literal replication, selecting suitable economic and non-economic measurements of performance was also of importance in order to make sure that the sample includes successful international retail SMEs. The RBV and DCV employed in this study embrace a long-term perspective to business development and competitive advantage. With respect to the long-term perspective, an international retail presence of at least three years as an indicator for sustained retail SME internationalisation was deemed suitable (see also Rippoles, 2008). In terms of measuring international performance, this study relied on international sales growth, more specifically a positive compound annual growth rate (CAGR) of international sales over the last three years, which is a well-acknowledged objective performance measurement (e.g. Moore and Fairhurst, 2003; Rippoles, 2008).
Following Perry (2001), the inclusion of firms from different countries was deemed appropriate for theoretical replication. This study included countries that host economically strong SME sectors but are different in their culture: Belgium, Germany and the UK. These are countries with an economically important SME sector. UK SMEs are known to be vital to the UK economy as 99.9% of enterprises count as SME (Gray et al., 2012). Germany is well known for its strong “Mittelstand” (small and medium sized firm sector) as 99% of all German firms are SMEs (Ifm Bonn, 2013). SMEs are also a strong part of economic activity in Belgium with SMEs contributing to 70% of the country’s GDP and 45% of its total exports (Sleuwaegen and Onkelinx, 2014). While these countries have in common a strong SME sector, their culture differs. Various studies that cluster European countries according to cultural features allocate the countries selected in this study to different culture clusters (e.g. Koopman et al., 1999; Ronen and Shenkar, 1985). The influence of culture on entrepreneurial beliefs, preferences, decision-making styles and behaviours has been recognised (Carr, 2005; Covin and Miller, 2014; McGrath and Toole, 2014). A variation in results thus was anticipated, complying with the logic of theoretical replication. Theoretical replication increases this study’s robustness by drawing research conclusions based on concentrating on the similarities between the ‘different’ cases (e.g. Perry, 2001; Yin, 2009).

Suitable case candidates were identified based on searching the Amadeus database and conducting extensive desk research. Having been trained as an academic and having worked as an analyst at a global consultancy company, the researcher was well equipped to conduct such analysis. Firm’s annual reports and financial statements, history, business development and expansion strategy as described on the firms’ homepages were analysed. Further, publicly available press archives were researched. This process revealed valuable information with regards to the firms’ compliance with selection criteria. Yet, in some cases, data was limited. Moore and Fairhurst (2003) as well as Hall, Hutchinson and Michaelas (2004) reported similar issues. To address information deficiencies and to discuss the inclusion of firms that at first sight do not meet each of the selection criteria, four experts on retail trade such as analysts and journalists were consulted. Experts were asked for their assessment of firm-specific eligibility to be included in a study that seeks to explore the role of the entrepreneur in sustained retail SME internationalisation (see APPENDIX D for list of macro-level retail trade experts). 12 potential firm candidates from Germany, 17 from the UK and four from Belgium were identified.

Overall, nine companies participated in the current study. Eisenhardt (1989) explains that at least four firms are needed to develop theory with a minimum level of complexity and
empirical conviction. She continues that more than ten firms create difficulty in terms of the volume of the data gathered and understanding its complexity. Similarly, Perry (2001) as well as Miles and Hubermann (1994) establish that two to four firms are considered a minimum and 10, 12 or 15 the absolute maximum to include in a dissertation. In terms of theoretical replication, this study followed Yin’s (2009) suggestion to include at least two cases from each country.

Table 5-2 provides an overview of the nine firms included in this study. In addition to this overview, a concise profile on each firm can further be found in APPENDIX E.
<table>
<thead>
<tr>
<th>Company</th>
<th>Turnover</th>
<th>Intl. Turnover in €</th>
<th>CAGR Intl. sales (3 years)</th>
<th>Head-count</th>
<th>No nat. stores</th>
<th>No int. stores</th>
<th>Years abroad</th>
<th>Ownership</th>
<th>Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPANY A</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td></td>
<td>Entrepreneur A-1 and Entrepreneur A-2</td>
<td>UK</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*Only abbreviated accounts available, which according to United Kingdom Government (2018) is only allowed if your company qualifies for a small company. Firm-internal and firm-external interviewees verify size of company and growth of international sales.</td>
<td></td>
</tr>
<tr>
<td>COMPANY B</td>
<td>10.000.000</td>
<td>500.000</td>
<td>-20 %*</td>
<td>75</td>
<td>6</td>
<td>6</td>
<td>&gt;10</td>
<td>Family of Creative Director B owns majority of shares. Entrepreneur B does not own shares in the firm.</td>
<td>UK</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*Publicly available administrative documentation explains that Company B has been rationalising its retail footprint by closing unprofitable stores over the past years. Company B is opening up new markets abroad, mainly in the Middle East and Asia. Retail sales grew 18% in 2015. Interviewees further explain that a flagship store in New York was closed due to negative developments in the local area and a landlord increasing rent. An analyst familiar with the firm confirmed that such measures led to a short-term decrease in international sales, but benefit retail internationalisation in the long-term.</td>
<td></td>
</tr>
<tr>
<td>COMPANY C</td>
<td>30.000.000</td>
<td>19.000.000</td>
<td>5 %</td>
<td>225</td>
<td>5</td>
<td>6</td>
<td>&gt;4</td>
<td>Investment firm by Entrepreneur C-1 and partners owns majority. Entrepreneur C-2 and Former Entrepreneur C own minorities.</td>
<td>UK</td>
</tr>
<tr>
<td>COMPANY D</td>
<td>100.000.000</td>
<td>25.000.000</td>
<td>6 %</td>
<td>220</td>
<td>21</td>
<td>4</td>
<td>3</td>
<td>Entrepreneur D-1. Entrepreneur D-2 does not own shares in firm.</td>
<td>Germany</td>
</tr>
<tr>
<td>COMPANY E</td>
<td>43.000.000</td>
<td>*</td>
<td>*</td>
<td>195</td>
<td>23</td>
<td>9</td>
<td>10</td>
<td>Entrepreneur E-1. Entrepreneur E-2 does not own shares in firm</td>
<td>Belgium</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*Documentation provided by Entrepreneur E-2 reveals that during past three years sales increased by 30%. In 2006, retail accounted for 20% of total sales; in 2015 for 60% of sales. Company E opened several international stores over the past five years. The increase in international sales remains a key target.</td>
<td></td>
</tr>
<tr>
<td>COMPANY F</td>
<td>8.000.000</td>
<td>3.000.000</td>
<td>-14 %*</td>
<td>60</td>
<td>3</td>
<td>1</td>
<td>5</td>
<td>Entrepreneur F together with Creative Director F.</td>
<td>UK</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*Publicly available administrative documentation shows that a decrease in international turnover is due to the firm moving away from low margin discounting. Company F embarked upon a long-term collaboration in Japan. Gaining access to new markets remains a key target. Company F continues to concentrate on growing retail and online business. Interviewees explain that re-opening of the New York flagship store took longer than expected, leading to a decrease in turnover and explaining inclusion in study.</td>
<td></td>
</tr>
<tr>
<td>COMPANY G</td>
<td>24.000.000</td>
<td>*</td>
<td>*</td>
<td>160</td>
<td>18</td>
<td>7</td>
<td>6</td>
<td>Entrepreneur G.</td>
<td>Germany</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*Publicly available administrative documentation confirm that export are rising sharply, clarifying inclusion in study.</td>
<td></td>
</tr>
</tbody>
</table>
Entrepreneur H is one of three majority shareholders since his takeover of shares of Marketing Manager H, who initially merged his business with Company H.

*In press interviews, one of the co-owners alongside Entrepreneur H makes clear the ambition to grow the turnover to €75,000,000, especially by continuing to target neighbouring European countries such as France and Luxembourg.

<table>
<thead>
<tr>
<th>COMPANY H</th>
<th>40,000,000</th>
<th>.*</th>
<th>.*</th>
<th>140</th>
<th>10</th>
<th>4</th>
<th>25</th>
<th>Belgium</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entrepreneur H</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**In press interviews, one of the co-owners alongside Entrepreneur H makes clear the ambition to grow the turnover to €75,000,000, especially by continuing to target neighbouring European countries such as France and Luxembourg.**

<table>
<thead>
<tr>
<th>COMPANY I</th>
<th>28,000,000</th>
<th>17,000,000</th>
<th>13 %</th>
<th>280</th>
<th>15</th>
<th>25</th>
<th>30</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Founder and Creative Director I and her husband, Entrepreneur I-1, own majority of shares. Other large shareholder is investment firm. Entrepreneur I-2 owns a minority of shares.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Own compilation, based on the evaluation of interview, documentary and archival data collected for this study.

Note: Table contains slightly rounded figures to preserve anonymity of participating firms.
5.4.2.2 External and internal firm-related interviews

Response bias, which refers to respondents constructing an untrue account, and reflexivity of elite interviewees providing selected information only are identified within the literature as potential weaknesses of interviews conducted within firms (e.g. Mikecz, 2012; Patton, 2002; Perry, 2001; Yin, 2009). Seeking to offset such bias, and to ultimately increase the credibility of firm-related findings with respect to participating firms, a round of external firm-related interviews with experts highly knowledgeable about participating retail SMEs was conducted first. With the help of firm-specific information gained through such interviews, the researcher was better prepared to identify any instances of information selectivity and concealment of critical incidents when conducting firm-internal interviews, and to challenge the interviewee in those situations by posing firm-specific probing questions (see Welch, 2002). Credibility as a quality criterion of qualitative research was thus supported (e.g. Perry, 2001). Further, these interviews ensured the researcher’s closeness to and solid knowledge about a firm and, in doing so, assisted the communication during firm-related data collection (Okumus, Altinay and Roper, 2007). Content-wise, these interviews addressed a broad exploration of the internationalisation process of firms. The discussion also concerned the eligibility and identity of entrepreneurs leading decision-making and problem-solving during internationalisation (see APPENDIX F for macro-level company expert interview schedule).

Firm-related interviews with elite informants from participating firm, most importantly the entrepreneurs, followed. Amongst others (e.g. Mikecz, 2012), Welch et al.’s (2002: 613) understanding of an elite informant emphasises “a senior or middle management position”, “high status”, “considerable industry experience and frequently also long tenure with the company”. Following Welch et al. (2002) and with respect to this study’s focus on the role of the entrepreneur in retail SME internationalisation, entrepreneurs were considered as the elite informants within participating firms. Authors such as Spence and Essousi (2010) and Jantunen et al. (2005) find that small firms provide a ‘group thinking’, so that already the interviewing of a single elite informant, for example the entrepreneur, would be justifiable. This study, however, further included interviews with other key informants that provide their own perspectives on the entrepreneur’s role in retail SME internationalisation (see O’Cass and Weerawardena, 2009). Such approaching of a phenomenon from various perspectives is highly recommended (e.g. Eisenhardt and Graebner, 2007; Evans et al., 2008). Interviews aimed to partially mitigate response bias with respect to interviews with entrepreneurs (Huber and Power, 1985). Further, other elite interviewees such as marketing directors deeply involved in marketing issues provided valuable information on the international marketing activities of participating retail SMEs.
For the purpose of this study – and mindful of Patton (2001) and Perry’s (1998) notion of a mini or embedded case – the unit of analysis with respect to these internal firm-related interviews was the entrepreneur. Interviews focussed upon each of the previously established elements of the research conceptualisation (see Chapter Four) (see APPENDIX G for entrepreneur interview schedule; see APPENDIX H for ‘non-entrepreneur’ interview schedule).

5.4.2.3 Selection and overview of firm-related interviewees

Analysts and journalists responsible for publications about participating firms’ internationalisation were regarded as experts on firms and were approached via email by the author of this thesis. Further, the personal network of the author provided access to analysts, other journalists and consultants, who were highly knowledgeable about specific firms. One or several external experts on each firm were identified and interviewed (see APPENDIX I for list of firm-related interviewees). The only exception in this regard is Company H, where numerous attempts at gaining access to experts failed.

Entrepreneurs were considered as the elite informant in firm-internal interviews. Entrepreneurs were identified by analysing management structures of participating firms based on secondary data in terms of administrative documentation and press articles. The selection of entrepreneurs as interviewees needed to ensure that the particular individual is responsible for the exploration and exploitation of international opportunities, so that the internationalisation of the firm is determined by his/her behaviour (see section 3.2.1 in Chapter Three). Preliminary phone calls with gatekeepers allowed clarification of person(s) qualifying as entrepreneurs (see also Jantunen et al., 2005). Interviews conducted with external experts also concerned a verification of the eligibility and identity of entrepreneurs. Nevertheless, the author ensured to have both the interview schedule for entrepreneurs and non-entrepreneurs at hand when interviewing respondents internal to participating firms. A soft opening in terms of asking respondents to elaborate upon their role within the company and their degree of involvement in retail SME internationalisation clarified a respondent’s qualification as entrepreneur.

As a result of the foregoing process, this study observed a flat management structure with a singular level of management within the majority participating firms (companies A, C, F, G, H). This management structure encompassed the single or multiple owners, who are exclusively responsible for decision-making and problem-solving in relation to international business development and whose entrepreneurial behaviour consequently determines the internationalisation process of their companies. Whilst these owners typically either completely
own the companies or hold the majority of shares, one entrepreneur of Company C only holds a minority in shares. However, administrative documentation and interviews with experts on Company C made evident that his behaviour as the chief executive officer of the firm determines the process of retail SME internationalisation.

For companies B, D, E and I, a more complex and sometimes even multi-layered management structure with several senior managers/directors influencing the scale, scope and nature of retail SME internationalisation was observed. The managing director of Company B as well as both owner-manager and general manager of Company E were included as entrepreneurs in this study as these are individuals whose behaviour determines retail SME internationalisation. With respect to Companies D and I, individuals with significant influence on internationalisation are represented across different hierarchical levels. For Company D, the owner-manager as well as the chief executive officer of the subsidiary under which all retail activities are undertaken are recognised as entrepreneurs. In the case of Company I, entrepreneurs include the Chief Financial Officer, who is the husband of the founder of Company I, one of the directors of the firm and together with the founder owns the largest shareholding of the firm. Also, the operations and IT director, who owns a minority of shares in Company I, was identified as an entrepreneur. Various sources including publicly available and company-internal documentation, interviews with experts and preliminary phone calls with gatekeepers within firms lead to and confirmed the identification of these senior managers / directors as entrepreneurs.

Table 5-3 provides an overview of individuals with sole or influential role in retail SME internationalisation and whose entrepreneurial behaviour determines foreign market expansion.
Table 5–3: Entrepreneurs leading decision-making and problem-solving in retail SME internationalisation of participating firms

<table>
<thead>
<tr>
<th>List of entrepreneurs identified per participating firm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company A</strong></td>
</tr>
</tbody>
</table>
| — Entrepreneur A-1: Co-Owner-Manager A-1 founded the firm and is responsible for national and international business development besides being Creative Director.  
— Entrepreneur A-2: Co-Owner-Manager A-2, husband of Co-Owner-Manager A-1, joined the firm soon after its foundation and is responsible for national and international business development. |
| **Company B**                                           |
| — Entrepreneur B: Managing Director B joined the firm over five years ago and is responsible for the national and international business development of the firm, while leaving creative responsibilities to the Founder and Creative Director B. |
| **Company C**                                           |
| — Former Entrepreneur C: Founder/Former Owner-Manager C sold the firm after domestic business development stagnated. She remained minority shareholder.*  
— Entrepreneur C-1: Non-executive Co-Owner-Manager C took over the firm together with two other majority shareholders and actively managed it during the initial phases of ownership. Today, he takes a consulting function as one of the directors.  
— Entrepreneur C-2: Co-Owner-Manager C joined the firm ten years ago. He became a minority shareholder and Chief Executive Officer (CEO), and is responsible for national and international business development. |
| **Company D**                                           |
| — Entrepreneur D-1: Owner-Manager D took over the business from the previous generation and is responsible for national and international business development.  
— Entrepreneur D-2: CEO of the subsidiary under which all retail activities are undertaken joined the company over six years ago and is responsible for national and international retail expansion. |
| **Company E**                                           |
| — Entrepreneur E-1: Owner-Manager E founded Company E together with his wife, Creative Director E, and is responsible for national and international business development as CEO.  
— Entrepreneur E-2: Chief Operations Officer (COO) / General Manager E joined the firm six years ago and, alongside Owner-Manager E, is responsible for the national and international business development with focus on general management and operations. |
| **Company F**                                           |
| — Entrepreneur F: Co-Owner-Manager F founded the firm together with his wife, Creative Director F, and is responsible for national and international business development as CEO. |
Company G

— Entrepreneur G: Owner-Manager G took over the firm from the previous family generation and is responsible for national and international business development.

Company H

— Entrepreneur H: Co-Owner-Manager H bought into the firm recently. Together with two other majority shareholders he is responsible for national and international business development as COO and Chief Financial Officer (CFO).

Company I

— Entrepreneur I-1: Co-Owner-Manager I, husband of the founder of the firm, joined the firm soon after its foundation and is responsible for national and international business development as one of the directors and CFO.
— Entrepreneur I-2: Operations and IT Director I joined the firm 16 years ago and is responsible for the national and international business development regarding operations and IT. He is a minority shareholder.

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

* Founder/Former Owner-Manager C was not directly involved in the internationalisation.

Note: List includes entrepreneurs the researcher has been granted access to. It does not claim to be exhaustive. In some instances - despite considerable attempts - access to other entrepreneurs could not be achieved.

Access to interview candidates was largely driven by individuals’ favourable opinion towards this study, which lead to recommending participation to others, a method known as snowballing (e.g. Rowley, 2012), ‘being in’ (Ostrander, 1993), or internal sponsorship (Welch et al., 2002). Beyond the entrepreneur, valuable interviewees came from areas such as marketing and communications in the headquarters of a retailer as well as international management at local establishments such as country managers or store managers. With the exception of Company G, one or several company-internal elite informants other than the entrepreneur were interviewed (see APPENDIX I for list of firm-related interviewees). In doing so, the author followed Rowley’s (2012: 263) suggestion to “interview a sufficient number of people so that people with different roles, experience, backgrounds, and any other source of variability that might influence answers are included in the study.”

Figure 5-1 visualises the interview study design as discussed above, showing the different types of interviews conducted and their specific purposes and contents.
5.5 Data collection techniques and procedures

5.5.1 Preparations for data collection

Saunders, Lewis and Thornhill (2009), amongst others (e.g. Yin, 2009), argue that the quality of a research project is positively impacted by appropriate preparation for data collection. For the purpose of this study, gaining suitable access to participants as well as setting up a research protocol was considered important.

As suggested by Cipollone and Stich (2012), the author approached it as an integral part of methodological work as it determines the entire process and success of a research project. Gaining and then maintaining access to organisations requires continuous negotiation as they
are “remarkably volatile social settings conditioned for example by changes in ownership, performance and competition” (Laurali, 1997: 407). Moreover, gaining access to elite informants is notably difficult (e.g. Drew, 2014; Hertz and Imber, 1993; Laurali, 1997; Welch et al., 2002). Clearly defined strategies for negotiating access to participants are therefore considered a crucial component of preparing for data collection (e.g. Ostrander, 1993).

While luck and opportunism are recognised as important in gaining access to firms and respondents (Ostrander, 1993), this study followed several strategies suggested by Saunders, Lewis and Thornhill (2009: 173 ff.) when negotiating access. For example, the strategy of gaining familiarity and understanding about potential study participants was essential in order to successfully convince them to participate in a research project. Amongst others (e.g. Mikecz, 2012), Laurali (1997) emphasises that linking a research project to organisational and personal experience fosters managerial intellectual interest in this project. Apparently, such a linkage convinces of the in-depth embeddedness of the researcher with the topic under study. Thus, the letter of introduction sent to all potential respondents included a section specifically devoted to the international expansion of their particular firm in order to provide a convincing argument on why the particular and not any retail SME would be a suitable candidate (see APPENDIX J for letter of introduction). The current study further followed various authors’ (e.g. Easterby-Smith, Thorpe and Jackson, 2010; Rowley, 2012; Welch et al., 2002) advice to emphasise one’s academic and professional affiliation when contacting and corresponding with potential candidates. Being involved in retail SME internationalisation during a previous employment as an ‘expansion manager’ in a German firm (not part of the sample), the author communicated both academic and professional credibility towards participants.

The author further followed the suggestion to inform potential participants about the purpose and the objectives of the research project as well as the corresponding type of access required for data collection (Bryman et al., 2006). Clear boundaries of the intended content and scope of data collection were communicated (Irvine and Gaffikin, 2006). Mikecz (2012) notes that access then depends on whether potential participants perceive the research project as something to benefit from. The author therefore offered to provide access to the finished dissertation after final submission, if participants were interested in generated insights into retail SME internationalisation. Various authors have highlighted the relevance of such providing potential benefits to participating individuals and organisations in return for the time and effort they bring into data collection (Okumus, Altinay and Roper, 2007; Ostrander, 1993; Rowley, 2012; Taylor and Land, 2014; Welch et al., 2002).
With regards to overcoming organisational concerns such as a fear of sensitive information being exposed, confidentiality was granted (e.g. Huber and Power, 1985; Taylor and Land, 2014; see APPENDIX K). In doing so, the author followed key principles of ethical research and The University of Surrey’s ethical standards (Easterby-Smith, Thorpe and Jackson, 2010; Saunders, Lewis and Thornhill, 2009; UEC, 2015; see section 5.3.2 in Chapter Five Taylor and Land (2014) explain that confidentiality is a crucial organisational and individual concern and thus a conventional part of the access negotiation process. The fact that this research project is not sponsored by a third party but independent in nature could have further eased concerns or reluctance about providing data to someone outside a firm (Mikecz, 2012; Okumus, Altinay and Roper, 2007).

Using the appropriate language is crucial when approaching and interacting with participants (Easterby-Smith, Thorpe and Jackson, 2010). The author used clear terms and avoided too theoretic terminology or concepts. Further, a high consciousness about the use of particular words informed communication with participants. The use of the word 'student' can give the impression of an “unskilled ‘amateurish’ inquiry” (Easterby-Smith, Thorpe and Jackson, 2010: 149), while the use of the word ‘researcher’ gives the impression of a more professional context. Drew (2014) and Mikecz (2012) further highlight linguistic competence in a study setting across national borders as language competence minimises the distance between researcher and elite informant. This study required data collection in Belgium, Germany and the UK. The author’s linguistic competence would have allowed her to correspond and collect data in the official languages of countries included: English, German and French. Yet, only English and German language skills were required for data collection and analysis.

In addition to such access strategies, the author followed various authors’ suggestion to use a research project protocol in order to properly prepare for data collection (e.g. Perry, 2001; Rowley, 2012). As proposed by Perry (2001) and Rowley (2012), this protocol included an overview of the project’s different sources of evidence accessed as well as the collection techniques and procedures to generate data from these. More importantly, the protocol showed key insights into theory with respect to the role of the entrepreneur in retail SME internationalisation. Research gaps as established in the literature and research questions developed were also displayed. This made clear in a succinct manner not only the origin but also the aims and objectives of this research. As such, the protocol provided the researcher the opportunity to recollect the essentials of this research. The researcher was thus guided through the process of data collection, fostering the quality of results (e.g. Perry, 2001; Rowley, 2012).
5.5.2 Semi-structured interviews as primary source of evidence

Interview data equivalence is a necessary condition for comparing results across different cases. Therefore, interviewing techniques and structure of interviews were standardised as far as possible (Sincoviks and Penz, 2011).

5.5.2.1 Interviewing techniques and structure

Face-to-face interviews are commonly considered particularly valuable, providing in-depth access to a topic (e.g. Lechuga, 2011; Patton, 2002; Saunders, Lewis and Thornhill, 2009; Rowley, 2012). As this study seeks to explore in-depth the role of the entrepreneur during retail SME internationalisation, interviews were therefore primarily executed on a one-to-one, face-to-face basis. Although the original research design primarily benefits most from face-to-face interviews, other options were employed given the challenges of gaining access to elite informants (e.g. Welch et al., 2002). In particular, interviewing via telephone or Skype was a viable option to get access when face-to-face was not possible (Deakin and Wakefield, 2014; Easterby-Smith, Thorpe and Jackson, 2010; Sturges and Hanrahan, 2004; Rowley, 2012). Interviewing via emailing is another alternative that gives the participant the option to complete questions at their leisure. However, this method was only considered as a last resort given its similarity to questionnaires and corresponding limitations with regards to depth of data (Rowley, 2012). For only two interviewees, email correspondence represented the only means to ensure participation in this study.

Interviews were semi-structured as such an approach is “flexible, accessible and intelligible and, more important, capable of disclosing important and often hidden facets of human and organisational behaviour” (Qu and Dumai, 2012: 246). During interviews, an identical set of questions functioned as a guide and covered specific key themes as outlined in the research conceptualisation in Chapter Four. At the same time, this interview structure offered the possibility to pay attention to unexpected factors (Yin, 2009). During the interviews, informants’ responses were further carefully probed in order to ensure as accurate and in-depth responses as possible (Huber and Power, 1985; see APPENDICES B, F, G and H for the different types of interview schedules). The external firm-related interviews with experts on the firms under investigation as well as the researcher’s own practical knowledge and experience in the context of SME internationalisation informed the probing in the firm-internal interviews. In the two cases of email correspondence, a fixed set of questions served as the basis for data collection (Rowley, 2012).
This study followed Perry’s (2001: 311) recommendation to start the interview asking the interviewee about their “story” or “experience”. The conversation then led to open-ended questions based on the research conceptualisation. Probing questions were at hand in order to ensure the appropriate understanding of the topic under investigation (see Perry, 2001; Qu and Dumai, 2012). These tended to be ‘open questions’ and were not ‘leading’ nor were they invasive (e.g. Perry, 2001; Rowley, 2012; Yin, 2009). Following Patton (2001: 379), a final open-ended question such as “What should I have asked you that I didn’t think to ask?” gave the interviewee the opportunity to have the final say on how entrepreneurial resources and capabilities drive retail SME internationalisation. Informants expressed favourable opinions toward the dimensions explored and that relevant matters of entrepreneurship in retail SME internationalisation were addressed, indicating comprehensiveness of gathered data.

During data collection, the author was conscious about numerous verbal and non-verbal investigator skills. Nonverbal considerations included meeting the interviewees at their office. Mikecz (2012) stresses that such a location ensures convenience for the interviewee. It further provides the researcher a good insight into the environment the interviewee is set in, therefore increasing a researcher’s context-sensitivity. Rather than behaving like a ‘guest’, the author tried to translate professionalism and control through being equipped with tools such as recorder, note pad and pen (e.g. Laurali, 1997; Ostrander, 1993). Suitable attire that helps to blend in was another example of nonverbal or social skills (Mikecz, 2012). Verbal techniques such as avoiding questions that can be answered with ‘yes’ or ‘no’, interrupting the interviewee, and allowing moments of silence supported non-judgement and, thus, a good flow of the interviewee’s story (e.g. Hannabuss, 1996; Mikecz, 2012). Given her previous working experience, the author was further well knowledgeable about and used industry-specific terminology as applied in practice. This quickly signalled professional credibility and, thus, further improved the conversation flow (see Schoenberger, 1991). When suitable, she further made reference to own practical experiences and particularly challenges and problems encountered when supporting the internationalisation process of a German SME during her employment as an expansion manager. In doing so, the researcher not only sought to establish a “way of relating to the different respondents” (McDowell, 1998: 2138), but also to trigger elite informants’ job-inherent self-understanding of being problem-solvers. According to Schoenberger (1991: 187), this stimulates elite informants’ interest in the discussed topic and, as such, a more productive outcome of the interview. Comparisons between firms and the reconstruction of “a consistent argument on a different terrain” further serve as “verification checks”, improving the internal validity of this study (Schoenberger, 1991).
5.5.2.2 Interview rendition

Methods of interview rendition included audio recording and note taking. The author asked interview participants for their permission to audio record the conversation to enable transcription that served as a basis for data analysis (Kvale and Brinkmann, 2009; Yin, 2009). Notes were also taken to better inform understanding relating to the fluency and inter-linkage of topics during data analysis. However, extensive note taking was avoided to ensure the conversation flowed (Kvale and Brinkmann, 2009).

Interviews were fully transcribed and carefully checked for errors, producing 193 transcript pages of single line spacing for macro-level interviews and 425 transcript pages of single line spacing for firm-related interviews; plus notes. For Tracy (2010: 841) rigour in qualitative research, amongst other factors, is based on “the level of transcription detail, the practices taken to ensure transcript accuracy, and the resultant number of pages of interview transcripts.” Translation issues were acknowledged and respected. With the help of a German English-teacher, data collection instruments and crucial components of gathered data were subject to back-translation, fostering, as far as possible, an accurate record (see Temple and Young, 2004; Weeks and Belfrage, 2007).

5.5.3 Supplementary archival and documentary evidence

The use of further independent sources of evidence to supplement interview data was yet another crucial step to offset interview limitations such as bias. The use of multiple independent sources of evidence is frequently described as data triangulation. Data triangulation as applied in this study included converging different sources of evidence to corroborate a finding. By combining evidence on the role of the entrepreneur in retail SME internationalisation from different sources to develop a research finding, the author facilitated a high quality in terms of construct validity and reliability (Alvesson, 2011; Patton, 2002; Yin, 2009).

The author used documentation and archival records as sources of evidence to supplement the interview data. Either provided directly through the company or through desk research, the author included various forms of documentation and archival records. More specifically, company documentation leveraged in this study included emails, company brochures, announcements, administrative documents, formal studies, news and magazine articles as well as virtual output. Statistical data provided by federal, state and local governments, as well as organisational records were used in terms of archival records. Such evidence typically has
been produced for a purpose other than a research project, is accurate, and has a broad coverage of time and context (Patton, 2001; Perry, 1998; Yin, 2009). The author further visited stores of participating firms to complement, for example, interviewee's elaborations on brand identity transfer within stores with own visual impressions.

Table 5-4 shows sources of evidence with respect to each participating firm.

<table>
<thead>
<tr>
<th>Company</th>
<th>Interviews</th>
<th>Firm-internal docs*</th>
<th>Archival docs**</th>
<th>Press articles</th>
<th>Catalogues</th>
<th>Firm websites</th>
<th>Social media sites</th>
<th>Store visit</th>
</tr>
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<tr>
<td>COMPANY A</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>COMPANY C</td>
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<tr>
<td>COMPANY D</td>
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<tr>
<td>COMPANY E</td>
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<td>COMPANY F</td>
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<td>✓</td>
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</tr>
<tr>
<td>COMPANY G</td>
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<tr>
<td>COMPANY H</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓/***</td>
</tr>
<tr>
<td>COMPANY I</td>
<td>5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Own compilation.
* Firm-internal documents include internal reports, brand guidelines, visual merchandise standards, franchising agreements.
** Archival documents include annual reports and financial statements.
*** Virtual visit of several stores via Google 360° virtual tour.

While this study overall benefited from multiple sources of evidence, it is critically acknowledged that the quality of evidence and ability to answer the particular research questions of this study depended on the nature and content of documents. Interviews clearly were the most crucial source of evidence for the in-depth exploration of the role of the entrepreneur in retail SME internationalisation.
5.6 Data analysis techniques and procedures

Data analysis of qualitative research is an under-researched field and one in which only guidance rather than recipes for data analysis exist (Patton, 2002; Yin, 2009). In contrast to quantitative data analysis, the researcher’s “own style of rigorous thinking, along with the sufficient presentation of evidence and careful consideration of alternative interpretations” (Yin, 2009: p. 127) determines this process. Again, unlike quantitative research, the process of data collection and data analysis cannot be separated clearly. Instead, it is an iterative process, which starts with the sense-making of certain patterns during data collection (Patton, 2002; Saunders, Lewis and Thornhill, 2009). This iterative process is connected to the interpretivist underpinnings of this work. Sense-making during interviews conducted for this study allowed for new themes to inductively evolve. In addition, specific data analysis techniques and procedures were employed following the interviews.

5.6.1 Organising and accessing qualitative data with NVivo

Computer Aided Qualitative Data Analysis Software (CAQDAS) assisted the process of organising and accessing data. CAQDAS was used to store all sorts of documents gathered throughout data collection and helped to manage and understand the considerable amount of qualitative data through categorising, retrieval, comparing and linking data. In particular, the software NVivo for Mac 11.2.1 (1704) was used to access, store and organise data from multiple sources of evidence as part of the coding process. The software facilitates to develop a node system based on which data can easily be compared and merged (see also Sinkovics and Penz, 2011).

The coding process, supported by NVivo, included developing higher-level nodes and trees of sub nodes, which were advantageous when accessing and analysing the data (see Tesch, 1990, cited in Creswell, 2014; see APPENDIX L for simplified node tree). The coding process started with the a priori development of higher-level codes including entrepreneurial characteristics as well as entrepreneurial marketing-related and networking-related sensing, seizing and transforming. This process was based on the theoretical propositions developed in Chapters Two and Three, and the conceptual framework in Chapter Four. Sub-nodes to these higher-level nodes were established in an emergent manner as data collection and analysis progressed - an a posteriori categorisation of data. In doing so, evolving aspects of the role of the entrepreneur in retail SME internationalisation, which were not been covered by the research conceptualisation prior to data collection, were incorporated in the node system.
Through allocating data into the different established nodes (open coding) and recognising their relations (axial coding), a chain of evidence was established within the database to facilitate transparency and reliability of results as well as data triangulation (see Alvesson, 2011; Perry, 1998, 2001; Rowley, 2012; Yin, 2009). The node system, the allocation of data into specific nodes and relations between nodes were reviewed by an academically trained person independent to this research in order to promote credibility of the node system and the resulting chain of evidence.

5.6.2 Thematic in-depth content analysis of data

The author explored the content of gathered data by employing specific analytical strategies, techniques and approaches.

The analytical strategies employed in this study were those suggested by Yin (2009). More specifically, the analytical strategies of relying on theoretical propositions and examination of rival explanations were combined. In light of the analytical strategy of relying on theoretical propositions, the researcher leveraged the theoretical propositions captured in the research conceptualisation in Chapter Four to determine the value of certain data in terms of paying attention to or ignoring it throughout content analysis. Amongst other aspects, for example, this included to clearly differentiate between dynamic and ordinary capabilities when making sense of interview data. Data analysis paid attention to entrepreneurial dynamic capabilities in terms of “doing the right things” and serving the strategic purpose of re-creating VRIN resources such as brand identity into a new value-creating strategy that serves differentiation and superiority to competition. Ordinary capabilities in terms of stationary processes associated with, for example, technical efficiency, administrative or governance purposes were ignored (see section 3.2.3 in Chapter Three). Following, the strategy of examining rival explanations, the researcher defined and tested rival explanations during data analysis in an attempt to address and reject as many rival explanations as possible. For example, it was important to become aware of resources other than the brand identity and the entrepreneur and to understand their potential impact on retail SME internationalisation. In case a rival explanation could not be excluded, data was not included in the reporting of findings. It is argued that such a combination of the two detailed analytical strategies serves a rigorous treatment of evidence, the exclusion of alternative interpretations and, thus, a careful drawing of conclusions. This ultimately increases the quality of a study in terms of its credibility (Patton, 2002; Yin, 2009).
The specific analytic technique of pattern matching, a well-acknowledged process in qualitative data analysis (e.g. Gibbert and Ruigrok, 2010; Yin, 1981), informed how the analytic strategies were put into practice during content analysis. Pattern matching as conducted here sought the identification of core consistencies, themes and meanings by comparing empirically evolving patterns with theoretically developed propositions as captured in the research conceptualisation, and evolving alternative explanations (Alvesson, 2011; Creswell, 2014; Patton, 2002; Yin, 2009). First, the researcher analysed the empirical data case after case and, as such, conducted a within-case analysis to not only gain familiarity with the data, but also to understand the distinctive patterns of each entrepreneur and to compare these patterns with the developed research propositions. Then, for each research issue, entrepreneurial patterns were matched across the different firms included. Such cross-case pattern matching ultimately required the researcher “to look beyond initial impressions and see evidence thru multiple lenses” (Eisenhardt, 1989: 533). In doing so, she prevented to draw research conclusions based on rather limited evidence (Eisenhardt, 1989). For example, the identification of a specific entrepreneurial marketing-related seizing capability during analysis and its presentation in the write-up of results was based on the interview and supplementary data showing that the majority of entrepreneurs displays this particular capability (pattern). Results were considered to be robust and the research conclusions credible only when patterns across several interviews and firms matched (Alvesson, 2011; Creswell, 2014; Patton, 2002; Yin, 2009). As such, pattern matching served the promotion of internal validity in this study (see Gibbert and Ruigrok, 2010).

By focussing on a cross-case synthesis of results, it was not necessary to analyse per participating firm and then to present results in the form of a narrative or a detailed ‘case report’ (see Chetty, 1996; Flyberg, 2006). While surely a within-case analysis was conducted to gain familiarity about an entrepreneur and his/her unique patterns (see Eisenhardt, 1989), the core focus of this study was on the thematic contribution and not to telling detailed firm “stories” or stories of single entrepreneurs (Creswell, 2014; Perry, 2001; Rowley, 2012). Data analysis and description of results per firm was thus limited to a short profile (see APPENDIX E for firm profiles). Single entrepreneurs and their position and responsibilities within firms were also only shortly presented instead of presenting detailed curriculum vitae (see Table 5-3). In doing so, this study adheres to Eisenhardt and Graebner’s (2007: 29) idea of appropriate presentation of empirical evidence. They stress that “presenting a relatively complete and unbroken narrative of each case is infeasible for multiple-case research, particularly as the number of cases increases. If the researcher relates the narrative of each case, then the theory is lost and the text balloons.”
Pattern matching in this study was underpinned by two analytic approaches: deduction and induction. Pattern matching started with a deductive analytical procedure based on the literature review and the developed conceptual framework. Patterns across an initial set of data were set in relation to the theoretical propositions captured in the research conceptualisation. For example, based on Teece (2014a), it was expected that entrepreneurial sensing capabilities include the capability of entrepreneurs to identify undersatisfied demands during retail SME internationalisation. It was thus analysed whether the majority of entrepreneurs displays such a pattern of sensing. If necessary, propositions were refined or revised and then compared against the next data set (see Saunders, Lewis and Thornhill, 2009; Yin, 2009). Pattern matching as conducted by the researcher also followed an inductive analysis of data. Analytic induction started with the development of a less fixed proposition derived from the data and not from previous literature. Analytic induction then, similar to the deductive analytical approach, followed an iterative process in terms of comparing the newly established pattern with another data set. This lead to the redefinition or revision of the inductively developed proposition and ultimately to a well-grounded finding (Saunders, Lewis and Thornhill, 2009).

Figure 5-2 shows the process of data analysis employed in this qualitative study.
**Figure 5-2: Process of data analysis underpinning this study**

![Diagram of data analysis process]

**PRESENTATION OF RESULTS OF ANALYSIS**
- Chapters Six, Seven and Eight

**INTERPRETATION OF RESULTS**
- Chapter Nine

**CONCLUSIONS DRAWN FROM RESULTS**
- Chapter Ten

**IN-DEPTH CONTENT ANALYSIS**
- Analytic strategies employed: relying on theoretical propositions and examination of rival explanations
- Analytic technique employed: pattern matching across interviews and firms working towards 'cross-case synthesis' of results
- Analytic approaches employed: deduction and induction

**CODING THE DATA**
- A priori and a posteriori categorisation of data
- Development of node system based on deductively and inductively developed nodes of different hierarchical levels

**READING THROUGH ALL DATA**
- First sense-making of data
- Getting an understanding of the 'whole' phenomenon

**ORGANISING AND PREPARING DATA**
- Transcribing and translating data
- Storing data centrally in NVivo

**RAW DATA**
- Audio material, notes, emails, documents, archival records

Source: Own design, adapted from Creswell (2014: 197).
5.7 Quality considerations

Amongst the multiple, and somewhat competing, criteria to judge the quality of qualitative research (see Patton, 2002; Tracy, 2010), this study used construct validity, credibility, external validity and reliability in its design and execution. Construct validity, external validity and reliability are widely accepted criteria to judge the quality of qualitative research (e.g. Gibbert and Ruigrok, 2010; Perry, 2001; Yin, 2009). Credibility is used as an alternative for internal validity, which targets causalities in explanatory case study research. Credibility in this exploratory research concerned methodological rigour and the corresponding ability to draw conclusions about the interrelations of data. It is a typical quality criterion of social constructionism (Tracey, 2010). Construct validity, external validity, credibility and reliability criteria have been addressed in the previous sections of this methodology chapter in order to demonstrate the rationale for and purpose of specific design features and tactics of this study. Acknowledging these criteria during the different phases of the study promotes the overall rigour of this research (Patton, 2002).

Table 5-5 summarises the different design features and tactics of this study that promote construct validity, credibility, external validity and reliability.

Despite these quality measures taken, a number of limitations are linked to this study’s methodology. This study is not generalisable to a wider population in a statistical sense. It is limited to generalisation through theoretical abstraction (e.g. Eisenhardt, 1989; Patton, 2001; Perry, 2001; Rowley, 2012, Yin, 2009). Generalisation through theoretical abstraction was enabled by drawing on previous results from relevant streams of literature to develop the research conceptualisation in Chapter Four. This set the scale and scope to which results of this study can be compared and generalised to. The lack of statistical generalisability does not limit the relevance and value of this study. Well-acknowledged studies that contributed greatly to particular research fields were based on a small number of studies or even a single firm (Eisenhardt and Graebner, 2007; Siggelkow, 2007; Tokatli, 2015).
Table 5–5: Quality criteria acknowledged in present study

<table>
<thead>
<tr>
<th>QUALITY CRITERIA</th>
<th>DESIGN FEATURE / DESIGN TACTIC</th>
</tr>
</thead>
</table>
| **Construct validity – suitability of operational measures** | — Use of theory prior to and during data collection (Perry, 2001)  
— Convergence of multiple sources of evidence and perspectives through data triangulation (Perry, 2001; Yin, 2009)  
— Inclusion of macro-level experts providing first empirical substantiation of research construct prior to firm-related data collection (Perry, 2001)  
— Establishment of chain of evidence to allow reconstruction of move from research questions to conclusions (e.g. explication of data collection procedures and techniques) (Gibbert and Ruigrok, 2010; Perry, 2001; Yin, 2009)  
— Awareness of influence of own values (Perry, 2001) |
| **Credibility - internal validity / logical validity** | — Preparation of probe-questions (Perry, 2001)  
— Interviewing of local experts to validate firm-internal data  
— Systematic analysis strategies, techniques and approaches (Patton, 2002)  
— Critical exploration of data based on pattern matching across interviewees and firms / cross-synthesis of patterns (Eisenhardt, 1989; Gibbert and Ruigrok, 2010; Yin, 2009)  
— Addressing of rival explanations (Gibbert and Ruigrok, 2010; Patton, 2002; Yin, 2009) |
| **External validity / analytical generalisability** | — Application of replication logic to select participating firms (Eisenhardt, 1989; Eisenhardt and Graebner, 2007; Perry, 2001; Yin, 2009)  
— Exploration of industry-wide perspective in addition to firm-related perspective (Perry, 2001)  
— Inclusion of theory during discussion of results (analytic generalisation) (Rowley, 2012; Yin, 2009) |
| **Reliability – repeatability of findings** | — Definition of firm and interview selection (Gibbert and Rigrok, 2010; Perry, 2001)  
— Use of research protocol (Gibbert and Rigrok, 2010; Yin, 2009)  
— Maintenance of data base (Gibbert and Rigrok, 2010; Yin, 2009)  
— Description of analytical strategies, techniques and approaches (Perry, 2001) |

Source: Own design, adapted from Yin (2009: 41).
Limitations are further acknowledged with regards to the sample of interviewees that agreed to participate in this study. In some cases, it was not possible to gain access to all entrepreneurs. Despite recommendations by internal sponsors and numerous attempts, access to the founders of Company B and Company I, both creative directors, could not be achieved. But potential issues resulting from such limited or incomplete access, e.g. incompleteness of data, were counteracted. The analysis focussed on a cross-case synthesis of results by comparing patterns across all interviewees to promote robustness of results. The core focus was on the thematic contribution as opposed to telling detailed firm stories. Interview data was also supplemented with evidence from other sources, which enabled data triangulation to corroborate a finding.

5.8 Researcher reflexivity

Researcher reflexivity was a vital consideration in this qualitative study. According to Alvesson and Sköldberg (2009: 9), researcher reflexivity concerns “careful interpretation and reflection.” With regards to careful interpretation, reflexivity involved the negotiation and renegotiation of meaning throughout all stages of the research project, including sensitiveness and responsiveness to contradictory evidence. In terms of reflection, reflexivity takes critical account of the researcher’s presence in the research process. This concerned basic skills such as the capability to ask good questions, listening qualities, adaptability and flexibility to unfamiliar and unanticipated situations, and the understanding of the situation under study (Yin, 2009). Further, reflection addressed the researcher’s philosophical background in terms of exposing how a researcher understands reality and knowledge. This included developing awareness about the role of personal beliefs and values in this research project, stimulating sincerity in qualitative research (Cunliffe, 2003; Hackley, 1998; Lumsden 2013; see section 5.2 in Chapter Five).

Interacting as much as possible within the academic community fostered the reflexivity of the author of this study. The author engaged in academic discussions on retail SME internationalisation in the context of academic conferences and more widely when undertaking this study and published a co-authored academic paper (see Christmann, Alexander and Wood, 2015). Discussions about and reviews of own work stimulated self-awareness, self-questioning and self-understanding. Taking notes in a research diary following the undertaking of interviews further supported reflexivity (Cassel, 2006; Fendt and Sachs, 2008; Lamb, 2013). Such notes included capturing strengths and weaknesses of interviews, contradictions or anomalies in comparison to other interviews as well as ideas for future interviews.
5.9 Research ethics

This study adhered to ethical concerns throughout, with ethical considerations arising in the following contexts: procedural, situational, relational and exiting ethics (see Tracy, 2010). A self-assessment questionnaire provided by The University of Surrey was completed and submitted to the University in order to determine if, and to what level, formal ethical approval was required. Neither full nor proportionate formal ethical approval was required for this study (see APPENDIX N for Self-Assessment Form: Ethics). The University of Surrey’s Code of Good Research Practice; and Ethical Principles and Procedures for Teaching and Research was adhered to throughout. Key values of ethical research such as honesty, rigour, transparency and open communication; and care and respect were complied with (see UEC, 2015). Amongst other factors, the ethical principal of ‘informed consent’ was applied. This principle required the author to inform interview candidates about the purpose of the study, the requirements and implications of taking part, the main features of the design, the participant’s rights, the use of data and the future form of report (Kvale and Brinkmann, 2009; UEC, 2015). Particularly transparency with respect to the purpose and scale and scope of this research project marked an important aspect in interviewing elites. As McDowell (1998) notes, “there is a great danger of collecting sensitive material that interviewees may not have wanted to reveal if they had been aware of the true status or aims of a covert researcher”. From own working experiences, the researcher knew about the high sensitivity of some information related to business development and experienced first-hand how and selectively elites share information. She therefore applied the principle of informed consent. Besides, anonymity was a crucial concern of this study’s ethics in order to ensure a feeling of comfort and security amongst interviewees by not needing to fear negative feedback and consequences from sharing information.

In addition, the author acknowledged situational, relational and exiting ethics. Situational ethics went beyond the ‘law-like’ ethical procedures captured in procedural ethics, recognising reason and morality in the interaction with interviewees in the different situations and contexts of data collection (Tracey, 2010). The author took considerable time to “repeatedly reflect on, critique, and question [her] ethical decisions [and to] constantly reflect on [her] methods and the data worth exposing” (Tracy, 2010: 847). Relational ethics concerned upholding of a respectful relationship with interviewees and included the truthful, moral and un-selfish interaction with participants. Finally, exiting ethics acknowledge an appropriate leaving of the place where data was collected and ensuring an appropriate presentation of findings (Tracy, 2010). For example, the author employed considerable measures to safely store and manage the collected data. Further, specific analytical strategies, techniques and approaches serve accuracy in the analysis of data.

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5.10 Summary

This study applied a qualitative research design as particularly qualitative inquiry enables to generate rich and in-depth insights into an underdeveloped phenomenon (Alexander and Doherty, 2010; Patton, 2002; Yin, 2009). In line with this, the study was underpinned by the research philosophy of interpretivism, which emphasises that deep insights can be inductively developed as a phenomenon is experienced during data collection and analysis (e.g. Andriopoulos and Slater, 2013; Easterby-Smith, Thorpe and Jackson, 2010; Patton, 2002).

A qualitative interview study design was applied to this research, including 54 semi-structured interviews (e.g. Huber and Power, 1985; Patton, 2002; Rowley, 2012; Yin, 2009). First, ten experts from consultancies and associations were interviewed and provided an initial empirical underpinning to the research framework introduced in Chapter Four. Second, four interviews with retail experts backed the identification of particularly promising retail SMEs from Belgium, Germany and United Kingdom, which comply with the logic of theoretical and literal replication. Third and most importantly, 40 interviews were conducted about the role of entrepreneurs in nine retail SMEs. Of those interviews, 14 were undertaken with entrepreneurs. Recollections of specific entrepreneurial internationalisation decision-making and problem-solving were provided and fostered a context-sensitive in-depth understanding of entrepreneurial characteristics and capabilities (see Eisenhardt, 1991; Eisenhardt and Graebner, 2007; Yin, 2009). Archival and documentary data was further included, facilitating data triangulation (see Alvesson, 2011; Patton, 2002; Yin, 2009). The content of this interview and supplementary data was explored in-depth by employing the analytical strategies of relying on theoretical propositions and examination of rival explanations as such a combination increases the credibility of results. Patterns were compared across all interviews and firms, working towards a ‘cross-case synthesis’ of results (cf. Creswell, 2014; Patton, 2002; Yin, 2009).

Having clarified the methodological foundation, the next chapters now present this thesis’ findings on the role of the entrepreneur in retail SME internationalisation. First, results on entrepreneurial characteristics and how these inform internationalisation decision-making and problem-solving are presented in Chapter Six. Chapters Seven and Eight consider entrepreneurial dynamic capabilities in the contexts of marketing and networking, and how these build and maintain the process of sustained retail SME internationalisation.
6 FINDINGS ON ENTREPRENEURIAL CHARACTERISTICS ENABLING RETAIL SME INTERNATIONALISATION

6.1 Introduction to findings on entrepreneurial characteristics

This chapter presents findings of the study of international experience, international entrepreneurial orientation and learning orientation; and how these characteristics impact the entrepreneur’s decision-making and problem-solving in retail SME internationalisation. In doing so, Chapter Six addresses the first primary research question including its secondary question, which read as follows:

Research Question 1: How do the entrepreneur’s characteristics inform entrepreneurial decision-making and problem-solving in retail SME internationalisation?

— How do the entrepreneur’s international experience, international orientation as well as learning orientation underpin entrepreneurial dynamic capabilities?

The results presented in Chapter Six are valuable for theory development within both the retail management and international entrepreneurship literature. To date, both of these literature streams remain fragmented with respect to entrepreneurial characteristics and their underpinning of entrepreneurial behaviours in internationalisation. As noted in section 2.4.2, the retail management literature may suggest that entrepreneurial characteristics underpin how entrepreneurs shape retail SME internationalisation, and provide insights into a few characteristics such as international experience and risk-taking in this regard (e.g. Hutchinson, Quinn and Alexander, 2006b). Yet, such contributions are rather limited and generalisation is questionable. Besides, contextualisation of retail SME internationalisation knowledge with the wider retail literature reveals a research gap with respect to entrepreneurial learning and entrepreneurial innovativeness. Exploration of these characteristics is needed to advance theory. The international entrepreneurship literature (see section 3.2.5 in Chapter Three) also lacks details of how exactly and in what situations characteristics such as international experiences inform entrepreneurial behaviours (cf. Jones and Casulli, 2014). Further, concepts as international entrepreneurial orientation have largely been explained by the application of upper-echelons-logic and disregarded the individual level (Covin and Miller, 2014).

Chapter Six presents results on entrepreneurial characteristics and how they inform entrepreneurial decision-making and problem-solving. Each characteristic considered is analysed individually. Occasional interrelations of characteristics are also shown.
6.2 Entrepreneurial characteristics informing decision-making and problem-solving in retail SME internationalisation

Macro-level respondents providing sector-wide insights clearly confirm that entrepreneurs are central to retail SME internationalisation and that internationalisation can be considered the extension of entrepreneurial behaviour (see Jones and Casulli, 2014; Oviatt and McDougall, 2005). Respondents contend that entrepreneurs are a central driver of the internationalisation process as they seek opportunities for business development outside the home market and develop a customised strategy for internationalisation:

“[T]he internationalisation is often pushed forward, this is my observation, by the entrepreneur himself, because he looks for opportunities to grow.” (Macro-level Respondent G)

“[H]e is the driving force, who also defines the strategy for the business and then should develop the motivation, or should develop the ambition to develop the concept to go into other markets.” (Macro-level Respondent C)

Macro-level Company-Expert D, who has been asked specifically for his expertise on the internationalisation of Company D, observed in relation to Company D that Entrepreneur D-1 is central to internationalisation. He further, similar to macro-level respondents, notes on a long-term approach to internationalisation:

“He is the entrepreneur, he is the owner, he is the CEO and with that the company relies on his decisions. If there is an international expansion, then this is his decision. The way this is done is also his decision. So, what happens at [Company D] is [Entrepreneur D-1].” (Macro-level Company-Expert D)

It becomes evident that entrepreneurs can be considered to be of central importance during all stages of retail SME internationalisation, starting with their aspiration and motivation and continuing through to the ways they build and maintain foreign market expansion.

The identified centrality of entrepreneurs in retail SME internationalisation underpins the consideration of the first main theme - entrepreneurial characteristics. Macro-level Respondent J notes on the interrelation of retail SME internationalisation and an entrepreneurial profile:

“If you want to internationalise, you have to begin with being international.” (Macro-level Respondent J)

In line with the above quote, empirical evidence suggests that vital entrepreneurial characteristics largely determine an international attitude of entrepreneurs. The international entrepreneurial orientation, the international experience and the learning orientation comprise key elements of the entrepreneurial profile. While each characteristic itself can provide impetus for the ways entrepreneurs drive retail SME internationalisation, these characteristics
are also interrelated. In combination, they determine entrepreneurs’ attitude towards international business development and influence entrepreneurial decision-making and problem-solving throughout the process of international market expansion.

6.2.1 International experience

Many respondents comment on entrepreneurs’ international professional experience gathered prior to their engagement within the current firm and how this experience positively impacts the ways they drive retail SME internationalisation. In contrast to work by Hutchinson, Quinn and Alexander (2006b) and Hutchinson et al. (2007), one main feature highlighted in several interviews is that professional international experience has not necessarily been generated in the specific commercial context of retailing. Some entrepreneurs acquired international experiences in the oil and gas industry (Entrepreneur I-1), in an engineering context (Entrepreneur A-2) and in consultancies (Entrepreneur B). Whilst variations exist in relation to their specific origin and extent, international experiences are suggested to positively impact the entrepreneur’s attitude towards internationalisation. Macro-level Respondent D even argues that entrepreneurs are provided “a completely new perspective on the world” if they have an international background. Many interviewees indeed emphasise entrepreneurs’ openness towards international opportunities as a result of their international experiences. Amongst others (e.g. Entrepreneur B, Entrepreneur F), Entrepreneur I-1 states:

“I’ve worked internationally quite a lot. I worked for the oil industry at one point. I worked in Paris for a number of years, all of that sort of thing. There’s an openness to looking overseas.” (Entrepreneur I-1)

Likewise, Entrepreneur F underlines his profound fascination for international markets. He explains that his international descent fosters a global mind-set towards brand building and his dismissal of a purely domestic business development:

“I think when you grow up in Ireland, you always feel you’re on the edge of Europe, so you have this great desire to travel. It could be a factor or just genetic, but I’ve always seen the brand as a global brand. I’ve never ever considered it to be a regional brand.” (Entrepreneur F)

Interviewees, who not only express openness towards international opportunities but also a high motivation towards the development of these opportunities, extend this point. Entrepreneur B compares Company B’s levels of internationality before and after his involvement and explains the increase of international activity with his ‘hands-on’ approach resulting from previous international experiences:
“When I joined, it was mainly UK focused, and now we’re much more international [...] My involvement in international, very hands-on. Previous businesses I’ve worked with, most recently with [UK retail business Entrepreneur B previously directed], meant that I had experience of Asia, Middle East and a little bit of America.” (Entrepreneur B)

Clearly then, international experiences are perceived to help determine openness towards international opportunities and the motivation to develop these.

Many of the respondents further expressed the view that international experiences inform how entrepreneurs approach potential differences in culture and habits between countries in retail SME internationalisation. A geocentric thinking towards international business development is largely favoured as a result of international experience (see Perlmutter, 1969). Respondents emphasise that entrepreneurs are aware and open to different cultures and local habits:

[Y]ou do have to be very open-minded. You have to respect the culture, and I think if you go in there with a fixed way of working and a fixed mind, I think you’re really setting yourself up for failure.” (Entrepreneur B)

“I’m going to answer by slogans, people buy from people and act locally to produce global results. We need to be sensitive to local culture, to local habits and we know that.” (Entrepreneur E-2)

Entrepreneur B similarly emphasises a geocentric outlook on internationalisation as a result of his considerable international experience. While he acknowledges local culture and habits in his vision of expansion, he remarks that this does not suggest that he relinquishes any control of brand development and management:

“[T]hink just understanding the culture and immersing yourself in the culture, understanding from their perspective how things work, and being flexible. I think you’ve got to be flexible, but still retain that control. You can’t allow them to dictate your brand or the things that have made you successful.” (Entrepreneur B)

Based upon the preceding discussion one can argue that entrepreneurial international experiences are linked to a geocentric outlook. Such a geocentric outlook has similarly been emphasised in retail marketing and international business literature (e.g. Alexander and Myers, 2000; Treadgold, 1988). This particular outlook addresses debates within the wider research literature concerning standardisation versus adaptation and the balance of decision-making power between home and host markets during retail SME internationalisation (see Perlmutter, 1969).

International experiences further equip entrepreneurs with relevant professional knowledge and competence to facilitate the international expansion of their businesses. Respondents stress that a broad and diverse international experience base allows entrepreneurs to better
understand the international perspective of business in general and branding in particular. Amongst others (e.g. Entrepreneur F), Macro-level Company-Expert B emphasises this point. He explained his perspective so:

“Normally, UK people are particularly bad at understanding the international perspective of their brand and I can think of a number of examples of that. In [Company B]'s position, they didn’t have that. [Entrepreneur B] had a lot of experience of the international situation and that, I think, is important.” (Macro-level Company-Expert B)

Respondents report that such an increased understanding impacts diverse areas of the setting up and running of an international business. For example, drawing on international experiences in retailing and accounting, Entrepreneur H notes that his professional background helps with the financial management of an internationalising retail SME. Likewise, supply chain and logistics competence emanates from prior international experience, as commented by Entrepreneur A-1:

“So, it was basically doing all the things that we’re doing. It was a lot smaller than we are now, but it taught me basically how to do everything, dealing with suppliers, also small suppliers. [...] people would come from all over the world. Because of that, we would be used to shipping items out to loads of different countries, and having to deal with different cultures. Looking back on it, it was perfect training.” (Entrepreneur A-1)

In terms of professional knowledge and competence, international experiences facilitate the entrepreneurial understanding of international business and international branding, which manifests itself in the set-up and running of the internationalising retail SME.

According to respondents, international experience further stimulates intercultural competence, which is linked to the ability of entrepreneurs to engage with foreign business partners in a manner sensitive to their foreign culture. Cultural differences have been emphasised to represent a key barrier to retail SME internationalisation (e.g. Hutchinson, Quinn and Alexander, 2009b). Hence, insights into entrepreneurial intercultural competence are valuable. For example, Entrepreneur B reflects on how considerable international experience in both retail and consultancy businesses improved his way of engaging with international business partners due to his accumulated intercultural competence:

“[P]rior to [UK retail business Entrepreneur B previously directed], I also did consultancy for brands like Hugo Boss, and Bally, so other international retail companies in those areas. So, when I was going to, particularly into Japan, I could understand not only the market conditions, but also the cultural - how to communicate - which is a huge barrier to other people, but I could then use the learning I’d have from my consulting days.” (Entrepreneur B)
In the case of cultural differences, intercultural competence includes mindfulness and sensitivity towards others – a collaborative approach, as one macro-level respondent remarked:

“[I]nteracting with the person opposite to you, you can never put yourself on a higher level in terms of like ‘I show you how it goes.’” (Macro-level Respondent I)

A collaborative approach between headquarters and subsidiaries is confirmed and developed by micro-level respondents. Speaking of a perception of a less pronounced acceptance of confrontation in Asia, Entrepreneur B notes the need of considerable extra effort for international partnerships:

“For instance, most of the time in Asia, people are not that confrontational, so they don’t like confrontation. When you show any kind of frustration or aggression or things like that, you just have to be mindful of the culture and the way that they work. [...] Email might not be the right communication tool, so sometimes it’s just easier just to get on a plane. Go out and just discuss it, sort it out. Or they come over. Just park until next time we meet.” (Entrepreneur B)

As such, respondents confirm the view expressed by one macro-level interviewee that intercultural competence “go[es] beyond language, it’s about how to behave locally, in a particular situation, what are the values, what are the attitudes that are lived” (Macro-level Respondent D). Similarly, albeit with reference to the firm-level, Evans, Mavondo and Bridson (2008) link international experiences and intercultural sensitivity: “organisations that have experience in foreign markets have learned from both past successes and failures, which can result in a greater willingness to adapt the elements of their retail strategy that are culturally sensitive” (Evans, Mavondo and Bridson, 2008: 38). It is now clear from the findings reported in this study that the connection between international experience and intercultural sensitivity also applies to entrepreneurs within retail SME organisations.

Figure 6-1 represents the previously discussed empirical evidence on international experience as an entrepreneurial characteristic. From left to right, this figure shows different types of international experiences and their stimulation of specific attitudes towards and competences for exploring and exploiting international opportunities (columns). As indicated by the arrow mark, it then shows that international experiences and their multi-layered features impact a multitude of themes integral to decision-making and problem-solving in retail SME internationalisation.
6.2.2 International entrepreneurial orientation

Notions from the international business literature suggest international entrepreneurial orientation to consist of innovativeness, proactivity and risk-taking (see 3.2.5.2 in Chapter Three). Both the retail management literature on SME internationalisation but also the wider business literature lack in-depth insights into these distinct dimensions of international entrepreneurial orientation. Before turning to provide detailed empirical evidence on each of these dimensions, it is useful to note that macro-level respondents’ sector-wide insights stress the importance of these with regards to retail SME internationalisation. Asked about the importance of innovativeness, proactivity and risk-taking, the following were among the responses emphasising the importance of all three components of international entrepreneurial orientation:

“Turning the question around, do you not need innovation, no risk-taking, that doesn’t work at all. That’s a question you can’t answer in the negative. No.” (Macro-level expert C)

“[T]hat is all three some very decisive factors” (Macro-level Respondent F)

Several remarks also suggest the interconnectedness of the elements of proactivity, innovativeness and risk-taking. For example, Macro-level Respondent D considers entrepreneurial proactivity to require entrepreneurial risk-taking. As he states
“I think, at the end of the day, you need a bit of everything, while risk-taking and proactivity I consider closely related, that’s based on the definition, to be proactive, I have to be risk-taking. That means, at the end of the day, it has a large overlap for me, yes.” (Macro-level Respondent D)

Macro-level Respondent D continues to explain how such entrepreneurial proactivity then leads to entrepreneurial innovativeness:

“I have to be proactive, from inside of me I have to do something, not just react to markets, but rather somehow become proactively involved and that, yet again, is a basis for me being innovative at all.” (Macro-level Respondent D)

Following macro-level respondents’ elaborations on the importance and interconnectedness of proactivity, innovativeness and risk-taking, each element is now considered succinctly based on micro-level contributions. The elements’ occasional interconnectedness is discussed as well.

6.2.2.1 Proactivity

Proactivity in this study refers to the entrepreneur’s initiative in the anticipation and exploitation of new international market opportunities, representing a forward-looking outlook on retail SME internationalisation (see also Covin and Miller, 2014; Lumpkin and Dess, 1996; Lyon et al., 2000). This study evidences that proactivity combined with opportunism is relevant for seeking and leveraging opportunities during both initial and subsequent phases of retail internationalisation. More specifically, based on the evaluation of data, such entrepreneurial proactivity is apparent during the whole process of retail SME internationalisation and seems to be seen as a sine qua non of the entrepreneurial role. Statements provided by the entrepreneur respondents reflect this and include:

“I think [it is] always important to be proactive. In a certain way you also have to be sometimes reactive and looking at your competitors or the market development. But being proactive is key.” (Entrepreneur H)

“I’m proactive, for sure. I go out and I look for things.” (Entrepreneur F)

“I’m a business man, a pragmatic business man. So, if there’s an opportunity whether it’s domestic or international, we take it.” (Entrepreneur C-2)

Respondents develop this point further by granting insights into the decision-making process in relation to the proactive development of opportunities.

Both the initiation and continuation of international expansion is based on entrepreneurial proactivity in terms of a forward-looking perspective and initiative towards new international opportunities. With regards to the initiation, Entrepreneur A-1 elaborates upon how she perceived attractive foreign market conditions and proactively decided to “give it a go and
see what happens”, initiating an overseas retail presence. Entrepreneur E-2 refers to his anticipation of “kind of an appeal from international people” based on feedback received during the participation in international fairs and exhibitions while the business was still wholesale-driven. While the entrepreneurs of companies A and E proactively started expansion based on the anticipation of international consumer demand, Entrepreneur I-1 reminisces that the expansion of Company I has been proactively initiated by his wife spontaneously accepting a friend’s offer to become a franchise partner:

“Our very first shop in the Far East, in Asia, was in Hong Kong, which I’ve mentioned to you. That came out of a relationship that [Founder and Creative Director I] had with this lady [...] She said, ‘I’d like to open a franchise. Is that possible?’ [Founder and Creative Director I] said, ‘I hadn’t thought about it, but yes, why not?’ That’s how it started.” (Entrepreneur I-1)

Throughout the lifecycle of internationalisation, entrepreneurial proactivity remains. Many respondents emphasise that entrepreneurs continue to show openness and initiative towards new opportunities for expansion with Entrepreneur G underscoring that “I think it makes sense to look for new markets.” For example, openness to further international expansion is expressed with regards to Entrepreneur D-2:

“I do experience [Entrepreneur D-2] as very open-minded. And I think that, in case there are further opportunities for internationalisation within the next few years, he will be the last one to say that we are not doing it.“ (Marketing-Manager D)

International Business Development Manager B similarly elaborates upon the openness of Entrepreneur B, especially as regards suggestions from international partners to further pursue foreign market expansion:

“Say, for example, the partner comes to me and goes ‘We’ve got this great opportunity to have this store in this area for three months, can I try it?’ [...] I think [Entrepreneur B]’s very open in terms of suggestions.” (International Business Development Manager B)

Beyond openness, some elaborations reveal how entrepreneurs themselves show initiative in anticipating new opportunities. For example, Macro-level Company-Expert E-1 details how Entrepreneur E-1 shortly after the opening of the first store in Switzerland, showed dedication to seeking further opportunities within the area:

“[Entrepreneur E-1 is] very interested in everything to push it further. He is already looking for new locations. This is something you can see immediately.” (Macro-level Company-Expert E-1)

While the previous quotes show how entrepreneurs seek advice from their network to anticipate further international opportunities, other contributions make evident that entrepreneurs engage in internal company exchange to anticipate further opportunities.
Amongst others (e.g. Entrepreneur B), Entrepreneur C-1 particularly refers to the regular exchange with other board members to proactively identify further possibilities for foreign market expansion:

“So, we are never standing still. [...] So, at the board meeting, we are very much focused on: what can we be doing now? What are potential developments? And, fortunately, there are lots of options going on. By all means we don’t run out of things we can do.”
(Entrepreneur C-1)

What becomes evident is that entrepreneurial proactivity informs not only the initiation but also the sustaining of retail SME internationalisation.

According to the views of interviewees, the continuous nature of entrepreneurial proactivity is closely related to entrepreneurs’ vigorous drive and endurance. Two contributions distil it in the following manner:

“[Entrepreneur G] is vigorously pursuing her vision of developing other foreign markets.“
(Company presentation Company G)

“Oh yeah, we never give up. We just don’t do it.”
(Entrepreneur F)

Beyond the vigorous drive and ambition, respondents link the early anticipation of business opportunities and the forward-looking perspective to entrepreneurial optimism when going beyond existing business and geographical structures. In particular, some interviewees in this context suggest proactivity allied to a ‘can-do’ and ‘hands-on’ attitude. Amongst others (e.g. Entrepreneur D-2), Marketing Director I emphasises the positive attitude towards the development of opportunities:

“I would just say the attitude of them [Entrepreneur I-1 and his wife] and of everyone here, it’s such a can do attitude [...] no one ever says no. Whether that’s a good or a bad thing, it’s like if something seems a good idea, no matter how crazy or the deadlines, everyone is ‘let’s just do it’.”
(Marketing Director I)

Based on participants’ remarks, it therefore appears that entrepreneurial proactivity in terms of the early anticipation of market opportunities is linked to keen entrepreneurial vigour and endurance to continue to explore international opportunities and a positive attitude towards the exploitation of these opportunities.

6.2.2.2 Innovativeness

Evident across the contributions from interviewees is a general acceptance of the importance of entrepreneurial innovativeness as a characteristic that positively informs entrepreneurial decision-making and problem-solving during retail SME internationalisation. Several respondents see entrepreneurial innovativeness closely related to the commercial sector. More
precisely, a high level of competition in retail markets results in innovation being an inevitable characteristic for survival and growth in international markets:

“Retail is very complicated and we do have predatory competition nowadays. And if you want to survive the crowding out or if you want to grow further, you have to be innovative.” (Entrepreneur D-2)

Entrepreneur E-1 similarly underscores the need for innovativeness in retailing, especially in the context of fashion retailing:

“In fashion, the thing is you have to change. At some point, it usually gets boring. We don’t want this anymore. We need to change now.” (Entrepreneur E-1)

Entrepreneurial innovativeness is therefore considered “a game changing factor” (Global Marketing Manager F) during foreign market expansion. While retail and product innovations have been extensively discussed in the retail management literature (firm-level) (Fionda and Moore, 2009; Moore and Birtwistle, 2005), elaborations on innovativeness as an entrepreneurial characteristic that drives innovation in products and services, remain scarce (individual level) (e.g. Covin and Miller, 2014).

The evaluation of interview data reveals that entrepreneurial innovativeness is closely connected to the willingness to grow past existing structures, processes and technologies by turning towards creativity and newness. Contributions show that entrepreneurs engage in or support innovativeness in different areas of an internationalising retail SME including the in-store experience, product design and development, marketing, logistics and accounting.

Amongst others (e.g. Entrepreneur E-1), Entrepreneur H sees the increasing relevance of e-commerce as a motivator to embrace innovativeness towards the in-store customer experience:

“You have to innovate every day. You have to ensure that people find a new kind of experience in our stores, that’s also only possible when you innovate constantly.” (Entrepreneur H)

Interviewees further elaborate upon entrepreneurial innovativeness towards product design and development. Macro-level Company-Expert G provides her view on Entrepreneur G gathering new design inspiration from travelling and exchange with other designers:

“This is something coming from [Entrepreneur G], her wanting to be innovative and aspiring to have the newest designs. She is traveling a lot to get inspired, she is working with great designers.” (Macro-level Company-Expert G)

Similar to Entrepreneur G, other entrepreneurs seek inspiration from outside and show openness towards replicating innovative ideas from others (e.g. Entrepreneur B). Entrepreneur
C-1 recollects how his participation in trade meetings enables him to anticipate relevant novelty in relation to diverse business areas:

“[V]arious trade meetings we were coming out talking what we need to do is get this and get that [...] If we see an innovation in marketing, in merchandising, in accounting, in logistics, whatever it is we aspired, to achieve it we move heaven and earth to do it. And we will not be put off by the fact that we are still quite small. As long as it is viable, it doesn’t matter if it only makes little money. If it satisfies customers, it is worth going for.”

(Entrepreneur C-1)

This is not to suggest, of course, that only external stakeholders stimulate innovation. For example, Entrepreneur F strongly emphasises that they do not draw on any inspiration from outside during international business development. Instead, they largely turn toward internal resources for originality in their ideas. Creativity determines trends and sets the brand apart from competition, as Entrepreneur F underlines:

“So yeah, we’ve always done our own thing. We’ve never been trend driven or what.”

(Entrepreneur F)

“I don’t think anything looks like us or I don’t think we look like anything. I think that’s because of the creative process that we use and the DNA that we’ve established.”

(Entrepreneur F)

Entrepreneur F emphasises that such uniqueness in design is relevant for their niche positioning in international markets. Further, he explains that, while Co-Founder and Creative Director F is the main character behind creative processes and especially innovation in design, he supports such innovativeness by shielding Co-Founder and Creative Director F in her creative development. Entrepreneur F explains:

“She’s an artist, so we protect her. I mean, people will take chunks out of you if you let them, so we don’t allow it.”

Similarly, Entrepreneur I-1 supports creative processes that result in product innovation relevant for internationalisation. He explains that Founder and Creative Director I’s innovativeness towards product development and design requires him to drive innovativeness towards the development of corresponding production techniques:

“[F]or example, the last couple of seasons we’ve been doing products that no one else has been doing. We’ve been literally developing the techniques. In order to make them work, we’ve had to invest a lot of time, money, and effort in the R&D if you like in getting them out there.”

(Entrepreneur I-1)

It is explained that dye sublimation once had been added to their production, which enabled the development of one of their signature products that ultimately fostered a significant pull from international markets. These findings show that entrepreneurs engage in and support
innovativeness in diverse business areas, albeit with differences between cases in terms of the fostering and application of innovativeness.

Although respondents explained that entrepreneurial innovativeness is generally considered a pre-requisite to success due to high levels of competition in retailing, what clearly emerges is that entrepreneurial innovativeness is not necessarily presented as a burden. Instead, interviewees’ contributions are frequently related to a positive and progressive business outlook. For example, Entrepreneur D-2 emphasises his excitement and optimism in relation to innovativeness:

“Well, it is exciting. Everything new is exciting. When you are a retailer, you have to be an optimist. This is a basic condition.” (Entrepreneur D-2)

Similar to vigour and endurance in relation to entrepreneurial proactivity, entrepreneurial innovativeness is explained as being required on a continuous basis. For example, company documentation provided by Entrepreneur E-2 reveals that one of Company E’s core values is to “be creative and innovative all the time”. Similarly, the continuous nature of entrepreneurial innovativeness becomes apparent in company documentation:

“[Entrepreneur F] adds: ’We never stop. We will always be looking at working on something new or changing something, and over time you build momentum.’” (Company F Online Press Article, 2011)

Entrepreneur D-2 even argues that not being innovative “means moving backwards” (Entrepreneur D-2), further underlining the relevance to continuously pursue innovation during retail SME internationalisation.

6.2.2.3 Risk-taking

Lastly, this study turns to risk-taking as a composite part of international entrepreneurial orientation. Risk-taking is defined as activities beyond tried-and-tested paths or allocating different types of resources towards projects with high uncertainty (Covin and Miller, 2014; Lumpkin and Dess, 1996; Lyon et al., 2000). Interviewees agree that, generally, “[n]o expansion is without risk” (Entrepreneur D-2) and that particularly expansion beyond national borders requires entrepreneurial risk-taking. For example, Entrepreneur E-1 stresses:

“Always, of course, we take a lot of risks. It’s much more comfortable to stay in your country. It’s a bigger risk [to internationalise].” (Entrepreneur E-1)

Respondents explain that they perceive higher risks in international markets in comparison to the home market. The awareness of the possibility of critical incidents and failure during
international business development is emphasised in several interviews. Responses in this context include:

“The more extensive I expand into foreign markets, the bigger the risk of doing mistakes and getting a lot of goods returned.” (Macro-level Company-Expert D)

“No one likes to talk about it [store closures], but it is part of the game. And when I today enter a new market, the risk is much higher.” (Entrepreneur C-1)

As interviewees see internationalisation to be a risky endeavour, entrepreneurs managing internationally established companies are consequently assumed to accept a certain level of risk. For example, Entrepreneurs I-1 and D-2 note on the positive attitude towards risk-taking:

“We are a brand that’s quite happy to take risks. [...] We have a positive attitude to risk taking. We’re prepared to do it.” (Entrepreneur I-1)

“And I believe that we need this risk tolerance for the internationalisation. We will definitely need it when entering other markets, despite having already learned a lot in our domestic markets.” (Entrepreneur D-2)

Entrepreneurs generally accept to take risks during retail SME internationalisation. However, this does not suggest that entrepreneurs are willing to take uncontrollable or unmanageable risks.

Elaborating upon how entrepreneurial risk-taking informs entrepreneurial decision-making and problem-solving in expansion, respondents reveal a nuanced picture as regards the degree of risk-acceptance and risk-avoidance. Many respondents agree in that “risk-taking shouldn’t be too strong, because that can potentially go very wrong” (Macro-level Respondent F). Interviewees speak of “calculated risks” (Entrepreneur H), “assessed risk” (Global Marketing Manager H) or “a controlled risk” (Macro-level Respondent E). Entrepreneur F elaborates how he would even consider himself and other entrepreneurs to be risk-averse during internationalisation in order to not jeopardise the survival of the business:

“I think a lot of entrepreneurs are technically risk-averse. I think it’s nonsense that people say they’re risk-takers. To survive, you have to be risk-averse. Otherwise you won’t survive.” (Entrepreneur F)

An entrepreneurial attitude of calculated risk becomes obvious. Entrepreneurs aim to avoid, control and mitigate risks as far as possible (cf. Hutchinson, Quinn and Alexander, 2006b).

Entrepreneurial efforts to avoid, control and mitigate risk and uncertainty become apparent during various stages of retail SME internationalisation. Prior to the initiation of expansion, entrepreneurial efforts can include an appropriate risk assessment and a corresponding development of a worst-case scenario, as explained by Entrepreneur D-2:
“But I do believe that showing up risks and not being naive is part of the deal, like from an entrepreneurial point of view. Show the risks in terms of what can happen within a market, what are the worst-case scenarios that can happen. You have to show that. And you have to calculate that in as well. You have to become aware of that.” (Entrepreneur D-2)

Entrepreneur H develops this point further by elaborating upon how the risk assessment together with the evaluation of business challenges and opportunities develops into a comprehensive outlook on international opportunities:

“[T]aking risks, yes, but calculated risks. That’s what we do as shareholders. We look, of course, at our business opportunities, at the same time we try to define and to calculate our risks when we start somewhere, somehow. It’s always a mix. It’s not only about risks, not only about challenges or business opportunities. It’s a combination. We need to find the right balance.” (Entrepreneur H)

Following the identification of potential risks, entrepreneurs keenly engage in the mitigation of risks, as explained, for example, by Entrepreneur B:

“The last thing that you want to be doing is going out fire fighting on a 14 hour flight. It’s fine if it’s around the corner, but you have to make sure that you mitigate as many of those risks as possible up front.” (Entrepreneur B)

A careful and calculated approach towards internationalisation can particularly be observed with regards to the mobilisation of financial resources (see also Myers, 1984, 2001). Similar to findings by Okeahalam and Wood (2009), interview contributions make clear that entrepreneurs interviewed for this study favour conservative financial investments:

“We wouldn’t have borrowed money to do it, but as we had the money there to do it, we did it.” (Entrepreneur A-1)

“Well, we won’t be doing all the markets at all costs.” (Entrepreneur G)

“Every store we open has got to wash its face and develop the brand. But also make money.” (Entrepreneur I-2)

Adding to the careful allocation of financial resources, Entrepreneur I-2 advocates franchise agreements as these have the potential to mitigate financial risks in foreign market expansion (see also Doherty, 2000; Quinn and Alexander, 2002):

“[I]f you’re accepting a franchise world, there’s effectively zero financial risk. You are only saying, all of my risk is with my brand development.” (Entrepreneur I-2)

Similarly and even more broadly, Entrepreneur D-2 states:

“If we do it ourselves, we obviously have a higher risk.” (Entrepreneur D-2)

From these responses, a nuanced picture of entrepreneurial risk-taking emerges. Entrepreneurs are neither afraid nor unwilling to take risks, as internationalisation is risky per se. However,
they reject “sort of facing bullets” (Entrepreneur F) during this process. Caution and care underpins decision-making and problem-solving.

While entrepreneurs aim to avoid, control and mitigate risks as far as possible, they acknowledge the fact that “sometimes things are out of your control” (Entrepreneur B). A certain residual risk remains. For example, some respondents refer to political developments that have imposed unforeseen risk on their firms’ international businesses. Amongst others (e.g. Entrepreneur A-2), Entrepreneur B elaborates upon risk-taking amid political instability and his approach towards risk-mitigation in such startling situations:

“Again, political unrest, which you can’t really foresee, is another factor stopping us from growing. I think the lessons learned from that is just don’t stick to one market.” (Entrepreneur B)

“If you can mitigate that risk by being in multiple territories, in multiple markets, but still have that control, then if a particular market fails, or falters for whatever reason, you’ve still got 80-90%. It’s just managing that risk element within the business.” (Entrepreneur B)

Other examples clearly show the limitations of risk mitigation in relation to unforeseen events. Entrepreneur F recollects how the terrorist attack on the World Trade Centre in New York required his risk-taking attitude to sustain international business:

“I think 9/11 probably is a good one, where we had a showroom in the States. We had a show booked for September and we couldn’t do anything, because New York was shut down and [the] Japanese stopped traveling, and they were a big part of our business at that time. So we got our collection, and I jumped on a plane to Japan immediately, and had back-to-back appointments and filled up our order book probably two weeks ahead of anyone else, and they kept coming and saying, ‘Thank you for facing the danger’, but all I was doing was flying on the plane.” (Entrepreneur F)

These contributions again show that entrepreneurial risk-taking is a multi-layered construct. Inevitably, entrepreneurs are risk-takers as unforeseen and uncontrollable eventualities impose risks during expansion. Simultaneously, they seek to mitigate risks of unforeseen eventualities.

Figure 6-2 schematically represents the previously discussed results on international entrepreneurial orientation as an entrepreneurial characteristic. From left to right, this figure shows the different dimensions of international entrepreneurial orientation and their stimulation of specific attitudes and resilience relevant during expansion (columns). As indicated by the arrow mark, it depicts that international entrepreneurial orientation and its multi-layered features impact a multitude of themes integral to decision-making and problem-solving in retail SME internationalisation.
6.2.3 Learning orientation

While respondents emphasise that international experience equips entrepreneurs with relevant entrepreneurial knowledge and competence for retail SME internationalisation as established in section 6.3.1, international experience in itself is not considered sufficient (see also Weerawardena et al., 2007; Westhead, Wright and Ucbasaran, 2002). An entrepreneurial orientation towards learning is emphasised by contributors to be another relevant characteristic underpinning internationalisation. Given the heterogeneity of markets, Macro-level Respondent G stresses the need for market-specific learning:

“[A]n important aspect is surely the acquisition of knowledge about a particular market” (Macro-level Respondent G)

“[E]very market is different and some experiences made in one market might be hindering for another market.” This is like in life, actually, when I approach thing A in a certain way, this shouldn’t mean that I can approach thing B in the same pattern. That’s why I think it is very important to have a market-specific approach, always looking what went well, what not so much and then correspondingly adapt.” (Macro-level Respondent G)

Micro-level respondents support the crucial role of the entrepreneur’s learning orientation to develop new or advanced knowledge during retail SME internationalisation. Three entrepreneur respondents distil it in the following manner:

“[F]or various reasons it’s really a learning orientation that’s needed for sustaining the international business.” (Entrepreneur I-2)
“[R]etail is learning. It is getting to know new markets and advancing new concepts based on those experiences, improving them and making them scalable.” (Entrepreneur D-2)

“[I]t would be difficult to say because this happened in the Hong Kong market, I did this in the Australian market or something like that. You’re obviously learning by experience all the time.” (Entrepreneur I-1)

Learning orientation in terms of openness to seeing internationalisation as an act of learning becomes apparent throughout the various phases of retail SME internationalisation. This finding is an important theoretical contribution since aspects of learning remain largely underdeveloped in retail SME internationalisation research.

In relation to the entrepreneurial preference to avoid, control and mitigate risks as far as possible as established in section 6.2.2.3, respondents underline that entrepreneurs are oriented towards extensive learning mechanisms prior to establishing retail stores in international markets. In particular, entrepreneurs are open to experiment with new alternatives in their learning when sensing opportunities for retail internationalisation (see also Easterby-Smith and Prieto, 2008). Amongst others (e.g. Entrepreneur D-2), Global marketing-manager H observes a practice of performing scenario planning practice:

“[I]t is part of the evaluation skills that you do of a project. For us it’s really about outlining different scenarios and this is something that we have developed as a characteristic for everything that we do in my opinion.” (Global Marketing Manager F)

Amongst others (e.g. Entrepreneur F), Entrepreneur B highlights his critical assessment of potential business partners’ abilities to support foreign market expansion. He states:

“[Y]ou have to ensure, be comfortable that they can actually deliver and execute that shared vision. I think that is absolutely key. They’re the kind of learnings that you go through all the time. Have they demonstrated that they can open a store in a location with a particular partner?” (Entrepreneur B)

While respondents emphasise the relevance of entrepreneurial learning orientation in early stages of internationalisation, contributors do not suggest that such entrepreneurial openness to learn guarantees international success. Entrepreneur E-2 notes that “it doesn’t say that you’re not going to make mistakes but at least you maximize your chances of success I think.”

During more advanced stages of internationalisation, respectively in relation to entrepreneurial seizing and transforming capabilities, entrepreneurs continue to see internationalisation as an act of learning. Respondents point out that knowledge generation is based on both experimentation and repeated practice (see Easterby-Smith and Prieto, 2008). With regards to the entrepreneurial openness towards experimentation in their learning, one reason might relate to the widely elaborated understanding that retail is a ‘people business’. Predictability
and certainty with respect to the development of specific markets is considered somewhat limited, as mentioned by Macro-level Respondent I:

“[...] Under certain circumstances, you might be able to measure that [customer behaviour], probably just the likelihood and there might certainly be something you miss out on.” (Macro-level Respondent I)

In the context of internationalisation, one feature that was captured in various interviews is that cultural differences are challenging to assess given they represent “a thing that is hard to catch on a science-based level” (Macro-level Respondent I). By being open for discovery and experimentation on site, entrepreneurs face opportunities to acquire fresh knowledge, especially in relation to consumer behaviour culturally different to that in the home market. Entrepreneur A-1 explains how she identified underestimated cultural differences between the UK and the US when establishing a US store:

“Because it’s America and because you speak the same language, you think it’s basically going to be the same, and it’s not until you actually spend a lot of time there that you realize it isn’t.” (Entrepreneur A-1)

“[US consumers] didn’t like being fitted in the changing room, they wanted to do it all themselves. They also treat staff differently to how they treat staff in the UK. That’s been a learning curve.” (Entrepreneur A-1)

In the case of Company A, the openness to learn about cultural differences by Entrepreneur A-1 proved to be particularly crucial and provided relevant knowledge with regards customer service to the US market.

When exploiting international opportunities, the role of repeated practice is seen as reinforcing entrepreneurial learning. Respondents relate entrepreneurial learning orientation especially to the willingness to learn from mistakes and critical incidents in order to improve the own practice as internationalisation advances. Amongst others (e.g. Entrepreneur F), Entrepreneur I-1 emphasises in relation to entrepreneurial actions that “[v]ery few of them succeed straight out of the box, so to speak.” Making mistakes and learning from these becomes an integral part of entrepreneurial learning. Entrepreneur D-2 even argues that the proper building and maintaining of international market opportunities requires making mistakes:

“[v]ery few of them succeed straight out of the box, so to speak.” (Entrepreneur F)

“You do make mistakes. Someone who doesn’t make mistakes isn’t exploiting its position. Mistakes are part of it. You just have to make sure to see the mistakes and to change things.” (Entrepreneur D-2)

“We don’t want to make the same mistake twice.” (Entrepreneur D-2)

Reflecting on his own mistakes, for example, Entrepreneur D-2 adjusted the store size as expansion progressed. Refinement of the expansion strategy based on learning from mistakes
can also include retail divestment, as Entrepreneur E-2 makes evident. His critical reflection upon how mistakes led to the acknowledgement of entrepreneurial limitations and resulted in exiting the US market. He notes with regards to insurmountable hurdles in logistics and supply chain management and reoccurring critical incidents with US customs:

“We said at that moment, look, maybe the States are not for us or we need to have another approach [...] let’s go out of US for now [...] We said okay, nice experience 2 years, 4 seasons. We said okay let’s go back to Europe and Asia and we’ll see. So, that’s pragmatic. [...] Lessons learned.” (Entrepreneur E-2)

To sum up, entrepreneurs are oriented towards learning based on both experimenting with new alternatives and repeated practice during retail SME internationalisation.

Figure 6-3 provides a schematic representation of the findings on learning orientation as an entrepreneurial characteristic. From left to right, this figure shows the different types of learning orientation and their stimulation of specific attitudes towards and expertise for exploring and exploiting international opportunities (columns). As indicated by the arrow mark, it shows that learning orientation and its multi-layered features impact a multitude of themes integral to decision-making and problem-solving in retail SME internationalisation.

**Figure 6-3: Schematic representation of findings on learning orientation as an entrepreneurial characteristic**

<table>
<thead>
<tr>
<th>LEARNING ORIENTATION</th>
<th>IMPACT ON DECISION-MAKING AND PROBLEM-SOLVING IN RELATION TO...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning orientation towards exploration</td>
<td>- Strategy and operations refinements and adjustments</td>
</tr>
<tr>
<td>Learning orientation towards exploitation</td>
<td>- Engagement with international partners</td>
</tr>
<tr>
<td>Learning from mistakes</td>
<td>- Evolving nature of international business development</td>
</tr>
<tr>
<td>Market-specific professional knowledge</td>
<td></td>
</tr>
<tr>
<td>Market-specific intercultural competence</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own design, based on the evaluation of interview, documentary and archival data collected for this study.
6.3 Summary

Chapter Six has found that international experience, international entrepreneurial orientation as well as learning orientation inform entrepreneurial decision-making and problem-solving in retail SME internationalisation. International experience underpins entrepreneurs' openness and motivation to explore and exploit opportunities for retail expansion. International experience facilitates a geocentric outlook on foreign market expansion, leading to conscious decision-making regarding levels of standardisation and adaptation as well as authority in host markets. International experience is further linked to relevant professional knowledge and competence as well as intercultural competence, which helps the setting-up and running of an internationalising retail SME. International entrepreneurial orientation consists of proactivity, innovativeness and risk-taking. Entrepreneurs, who display these characteristics, generally show a positive and progressive outlook towards expansion and are vigorous and enduring in their actions. This facilitates newness and change in strategy and operations and, as such, retail SME internationalisation's evolving nature. Learning orientation informs entrepreneurial decision-making and problem-solving prior to foreign market entry and in phases of exploring international opportunities with entrepreneurs being open to experiment with new alternatives and scenarios. When exploiting international opportunities, entrepreneurs are oriented to learning on site based on experimentation and repeated practice. Market-specific strategic and operational knowledge and competence as well as intercultural competence are generated.

The retail management literature's qualitatively evidenced knowledge on the role of entrepreneurial characteristics is refined and extended by the detail of findings presented in Chapter Six (e.g. Hutchinson, Quinn and Alexander, 2006 b). The international business literature also benefits notably. Fine-grained qualitative evidence on entrepreneurial characteristics and their impact on decision-making and problem-solving as for example asked for by Covin and Miller (2014) is provided.
7 FINDINGS ON ENTREPRENEURIAL MARKETING-RELATED DYNAMIC CAPABILITIES DRIVING RETAIL SME INTERNATIONALISATION

7.1 Introduction to findings on entrepreneurial marketing-related dynamic capabilities

In this chapter, findings on entrepreneurial marketing-related dynamic capabilities are presented based on the evaluation of interviewees’ perceptions. The literature identifies brand identity as a key resource in retail SME internationalisation as its uniqueness provides a basis for differentiation from competition. Exploration of entrepreneurial marketing-related dynamic capabilities particularly addresses how entrepreneurs leverage the brand identity as a strategic asset when taking advantage of international opportunities. Entrepreneurial marketing-related dynamic capabilities concern the entrepreneur’s replication and potential adjustments of brand identity marketing and management processes used in the home market (~ordinary capabilities) within new international markets (see section 3.2.3 in Chapter Three). Based on Teece (2014), this study’s research conceptualisation suggests entrepreneurial marketing-related dynamic capabilities in retail SME internationalisation to be:

— the entrepreneur’s identification and assessment of international market opportunities for the brand identity (sensing)
— the entrepreneur’s mobilisation of brand identity to address international market opportunities, and to capture value from doing so (seizing)
— the entrepreneur’s continued renewal of the brand identity as a key resource as well as adjustments in the seizing of the brand identity as a key resource in international markets (transforming).

In contrast, marketing-related ordinary capabilities are more static and basic in nature and concern matters of efficiency including the exploitation of existing distribution channels and satisfaction of existing customers (see Bruni and Verona, 2009; Winter, 2003).

By presenting evidence for entrepreneurial marketing-related dynamic capabilities, Chapter Seven addresses the following research question:

*Research Question 2: How do the entrepreneur’s marketing-related dynamic capabilities re-create and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?*
— What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating a niche-based differentiation based on brand identity in international retail markets?

— How does a niche-based differentiation support a sustained retail SME internationalisation process?

The point of reference for these research questions is the insufficient attention given to the exploration of the role of the entrepreneur in retail SME internationalisation in the retail management literature (see section 2.3 in Chapter Two) as well as the need for empirical substantiation and a more robust conceptualisation of entrepreneurial dynamic capabilities in the international entrepreneurship literature (see section 3.2.2 in Chapter Three).

Chapter Seven is organised as follows. Entrepreneurial marketing-related dynamic capabilities are reviewed and structured within the tripartite schema of sensing, seizing and modifying capabilities. How each of these capabilities creates value during retail SME internationalisation is thereby addressed. In addition, the end of Chapter Seven presents interviewees' universal perspective on the value-creating nature of discussed dynamic capabilities.

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10 In contrast to the idea of transforming capabilities, only entrepreneurial marketing-related modifying capabilities are evidenced by this study. The structure of Chapter Nine incorporates this finding.
7.2 Entrepreneurial marketing-related dynamic capabilities re-creating brand identity

The empirical results derived from the interviews conducted for this study highlight that differentiation is central to the pursuit of a competitive strategy in retail SME internationalisation. Respondents emphasise the creation of a unique selling proposition in international markets for the achievement of a sustained retail SME internationalisation process. Amongst others (e.g. Entrepreneur B, Macro-level Respondent B, Macro-level Respondent C), Entrepreneur C-1 stresses this point:

“I mean, it is something that people sometimes joke about, you know - the USP - [...] But, to be honest, it is as true today as it ever was. Everything that you do has to have a unique selling proposition. [...]” (Entrepreneur C-1)

Providing sector-wide insights on retail SME internationalisation, macro-level respondents underline that the brand identity is a key resource that enables differentiation during retail SME internationalisation:

“I position myself through the brand. I differentiate through the brand. At the end of the day, these are the points that you want to achieve as an entrepreneur. And, well, the brand identity builds the basis or represents the basis for differentiation.” (Macro-level Respondent D)

It follows logically that, whilst not the only aspect of the brand, the brand identity is presented as a critical success factor for sustained retail SME internationalisation. Two respondents distil it as follows:

“Every brand that is successful to the outside, there is a brand identity as a pillar behind it - a success factor so to speak” (Macro-level Respondent D)

“A brand identity is definitely a competitive advantage.” (Macro-level Respondent F)

Consequently, the re-creation and renewal of the brand identity can be a central feature of sustained retail SME internationalisation.

As a consequence of identifying brand identity as a key resource that enables differentiation, respondents make clear that successful internationalisation requires entrepreneurial efforts to re-create and renew the particular brand identity. Respondents’ emphasis of entrepreneurs’ orientation towards the brand identity echoes the concept of brand orientation endorsed in the strategic brand management literature. Brand orientation represents a strategic focus on the development and maintenance of brand identity as opposed to prioritising the meeting of
needs and wants of consumers (see Urde, Baumgarth and Merrilees, 2013). Two contributors emphasise brand orientation as follows:

“[S]uccessful in the long-term will be those that live this identity.” (Macro-level Respondent C)

“So, you have to be able to internationally [...] hold up a brand identity.” (Macro-level Respondent D)

Conversely, if entrepreneurial efforts do not focus on the unique and distinctive features of the brand identity, the international business development of specialist retail SMEs is considered by some to be doomed to fail:

“When I don’t live up to these [brand identity principles and values], then I have no meaning within the international comparison.” (Macro-level Respondent I)

In line with macro-level respondents’ perceptions, firm-level contributions highlight a focus on brand identity in international business development and its positive impact on differentiation. Interviewees stress that entrepreneurial efforts are focused on the re-creation of particular elements of brand identity – such as the story and message behind the brand. Global Marketing Manager F summarises this point in the following statement:

“[E]verything we do is designed to tell the brand’s story and to really convey the brand message. [...] Yeah, we never leave anything to chance.” (Global Marketing Manager F)

Detailed elaborations on the ways entrepreneurs purposely re-create and renew brand identity and corresponding processes of marketing and management in international markets and, in doing so, build and maintain retail SME internationalisation are now presented by introducing specific marketing-related dynamic capabilities.

7.2.1 Entrepreneurial marketing-related sensing capabilities

Teece (2014a: 335) is clear in that dynamic capabilities also include “standard entrepreneurial activities such as identifying undersatisfied demands [...] [and] helping the organisation do this repeatedly”. The empirical results of this study indeed reveal that entrepreneurial marketing-related sensing capabilities intended to identify and assess international market opportunities for brand identity include identifying unfulfilled international demands based on the analysis of the firm’s current international performance. Further, following the identification of a promising international market, leveraging market-specific consumer and competitor knowledge to assess the most suitable location for a store and the most suitable business approach is a second type of marketing-related sensing capability. Details on these two types of entrepreneurial marketing-related sensing capabilities are now
provided. In doing so, the retail management literature’s research gap regarding entrepreneurial actions that serve the transfer of the brand identity is addressed (see section 2.4.3 in Chapter Two). Knowledge on entrepreneurial sensing mechanisms, which to date mainly concerned the leverage of networks to better assess regulatory and socio-economic matters in international markets, is extended (e.g. Hutchinson, Fleck and Lloyd-Reason, 2009). Called for empirical evidence is provided for the broader business and marketing literature’s mainly theoretically developed understanding that marketing-related dynamic capabilities include procedures such as internal research and development, identifying under-satisfied customer demands and needs as well as processes to capture market developments (e.g. Barrales-Molina, Martinez-López and Gázquez-Abad, 2014; Teece, 2014a).

7.2.1.1 Identifying unfulfilled international demands

Driven by their learning orientation (see section 6.3.3 of Chapter Six), entrepreneurs strive for knowledge about unfulfilled international demand that justifies the establishment of a retail presence. Amongst others (e.g. Entrepreneur B, Entrepreneur C-1, Entrepreneur G), Entrepreneur I-1 explains that certainty about the consumer demand within an international market determines retail expansion:

“The internationalisation will follow the demand. A lot of what we do is pull rather than push. [...] We need to know that there’s some appetite for it before we get in there.” (Entrepreneur I-1).

Interviewees reveal that entrepreneurs in a first step frequently leverage sales data already available within the company to identify sufficient consumer demand for the establishment of own retail activities in foreign countries.

The monitoring and evaluation of the international sales performance serves as a valuable method to sense the international appetite, as Entrepreneur I-2 explains:

“[Y]ou have to monitor in each of your territories because it helps to understand the wave of popularity you have in each territory so that you can make the most of it.” (Entrepreneur I-2)

Most entrepreneurs in the studied sample identify potential target countries and cities for retail expansion on the basis of their understanding of high sales concentrations that are generated within their companies’ wholesale and online retail business divisions. With regards to wholesale, for example, Entrepreneur E-2 notes:
“[W]e depict [wholesale sales] automatically. You know, it’s Excel functionality to put that on the map, so that we see also the spot of where all our customers are spread and depending also on the amounts they buy, so that we can see some, let’s say, concentrations where we already have success and those might be good targets for the retail.” (Entrepreneur E-2)

Similarly, entrepreneurs sense opportunities in international markets by evaluating the origin of sales generated within their e-commerce business. Entrepreneur I-1 states:

“One of the leading indicators that we have at the moment is the sales on the website. We look at where they’re coming from.” (Entrepreneur I-1)

Entrepreneurs look for higher concentrations to identify promising markets or areas for retail internationalisation, as Entrepreneur H explains:

“If there is a more than average traffic around Internet in those areas then we will for sure look also into that area for developing maybe an outlet.” (Entrepreneur H)

These results would appear to suggest that entrepreneurs leverage high sales concentrations in markets already entered via wholesale or ecommerce business as a direct indicator for international market opportunities.

Another distinct pattern of sales performance monitoring is revealed in relation to the entrepreneurs from Company A and Company D. They leverage low sales levels as an indicator for further potential. Entrepreneur A-1 compared US sales with sales generated in Australia and identified a lower performance in the US, which ultimately led to a retail presence in the US. She notes in relation to wholesale:

“[T]he other thing we did notice was that our sales weren’t as high as they should be. We were doing more in Australia than we were in America.” (Entrepreneur A-1)

Likewise, Entrepreneur D-2 engages in benchmarking and utilises lower-than-average sales levels as a starting point to sense opportunities for retail expansion:

“[W]e usually have a market share of 18.4% when we are well located in this German, Austrian, Swiss area. This makes it comparably easy. But if I only have a market share of about eight percent [based on wholesale], I need to see what the delta of ten percent is made of. Are the 10% enough justification to open an own store?” (Entrepreneur D-2)

One can see that entrepreneurial sensing that does not build upon high sales concentrations appears to require commercial experience in terms of developing benchmarks.

Following the identification of market potential, interviewees stress that it is vital for entrepreneurs to seek further information that substantiates the assessment of market potential based on unfulfilled demand. Entrepreneurs report drawing upon diversified information to
evaluate the potential in more detail, especially online-generated information. Entrepreneur A-1 reports that she had information at hand about the online sales performance of a competitor, whose products were believed to be of lower quality. This perceived superiority of her own brand informed her sensing:

“[W]e knew this other company had a lot higher web traffic than us. We knew that if they were selling and their products weren’t as good as ours, that there would be room for us.” (Entrepreneur A-1)

Entrepreneur A-1 thus proactively decided to “give it a go and see what happens.” Other remarks make it clear that entrepreneurs also leverage information in relation to their own web sales to evaluate international opportunities. Entrepreneur I-2 explains:

“It’s much easier now because of the digital stuff that goes on so you can track it [...] now there’s vast amounts of information that you can look at.” (Entrepreneur I-2)

Entrepreneur F develops this point further. Asked about how he leverages online sales to detect retail expansion opportunities, he notes to rely on analytical programmes in order to gain a fine-grained understanding of the qualification of online consumers as target customers for retail:

“We also analyse what computers they come off, so we know what kind of people they are. We know how many people are on Apples, for example, which would be a target customer for us.” (Entrepreneur F)

It becomes evident that entrepreneurial sensing represents an evolutionary decision-making process that starts with the identification of a potential target market for retail expansion and leads to a more critical assessment of the market potential.

In some cases, the entrepreneurial sensing of international opportunities for a permanent retail presence includes targeted trial runs. As such, identifying unfulfilled demands in international markets not only concerns the use of available information but also building new information. This confirms Al-Aali and Teece’s (2014) theoretical understanding that sensing includes to probe markets. Following a first positive evaluation of demand, some entrepreneurs decide to install localised, country-specific homepages as a strategic device to better evaluate international consumer demand, as Entrepreneur I-1 explains:

“You get a tickle from who’s checking in because it’s not that expensive to localise the homepage and then see what difference that makes. If it does make a difference, then you think great.” (Entrepreneur I-1)

Other entrepreneurs in the sample installed a pop-up store in a country of interest to assess opportunities for a permanent retail presence. Amongst others (e.g. Entrepreneur C-1),
Entrepreneur I-1 explains how he gets a more realistic feeling for the potential of a retail presence via pop-up stores:

“It’s the move from being wholesale to retail. The pop-up is a small version of our retail. That gives someone the feeling of what it would be like if it were retail. If they like it and they buy it, that’s it.” (Entrepreneur I-1)

These stores and homepages are intended to inform the critical assessment, respectively the sensing, of entrepreneurs in relation to a permanent physical retail presence. More specifically, the largely not locality-specific evaluation of wholesale sales data is extended by site-specific tacit knowledge, representing a more comprehensive approach towards entrepreneurial sensing (see also Wood and Reynolds, 2012).

7.2.1.2 Leveraging market-specific consumer and competitor knowledge

Following the identification of a promising international market, a second type of entrepreneurial marketing-related sensing in retail SME internationalisation seeks to generate and integrate market-specific knowledge. It serves to complement an initial view regarding its likely potential. For example, Entrepreneur G states:

“[T]he potential of this market was very exciting. And we dealt with this more in-depth and discussed it and did some research and then we said that it does make sense to take care of this more extensively.” (Entrepreneur G)

Entrepreneur B also emphasises market-specific knowledge and develops this point further by arguing that potential critical incidents may be identified prior to international market entry:

“It’s a painful exercise if you launch into a market and learn as you go, because you try and understand what all those pitfalls are before you go in. From my experience, it’s a lot easier.” (Entrepreneur B)

Similar to Al-Ali and Teece’s (2014) understanding of sensing within the multinational enterprise, entrepreneurs generate and leverage market knowledge in relation to both consumers and competitors, aiming to detect promising store locations and to develop the appropriate business approach. Evidence generated for this study shows that such entrepreneurial sensing goes far beyond the entrepreneur conducting desk research. Entrepreneurs search, select and combine relevant data in various ways.

With respect to generating market-specific knowledge about international consumers, some entrepreneurs conduct sensing via research institutes, surveys, focus groups and trade magazines (e.g. Entrepreneur B, Entrepreneur C-1, Entrepreneur D-2). For example, Entrepreneur B states:
“Reading trade papers, do some focus groups, I think that’s quite an important one. Then when you have launched in that particular market, then continuing that research, so conducting more focus groups, understanding customer surveys [...]” (Entrepreneur B)

Entrepreneur B particularly considers sensing via focus groups valuable having seen the insights it produces have a beneficial input on internationalisation decision-making during a previous employment. Conversely, asked whether focus groups help him sense international nuances of consumer behaviour, Entrepreneur C-1 reports preferring quantitative data:

“[Q]uantitative data in terms of a) what people buy and b) surveys we do and what they tell they want to buy. We get tons of feedback from customers all the time.” (Entrepreneur C-1)

According to Teece (2014 a: 348), assessment and reassessment of “whether they are fully taking advantage and contributing to the development of [...] market opportunities that provide what customers want” is central to dynamic capabilities. Yet, consumers are not the only focus point in the entrepreneurial development of market-specific knowledge.

Interviewees in this study further highlight the importance of entrepreneurs leveraging market-specific knowledge in relation to competitors following the identification of a promising market. Entrepreneurs understand locations showing concentrations of similar brands as particularly promising given the attracting of somewhat similar consumer groups (Teller and Reutterer, 2008). To begin with, some entrepreneurs conduct research on competitors in order to identify promising locations, albeit differences exist in how they observe and evaluate the competitive landscape. For example, the entrepreneurs of Company E observe where exactly in a city their competitors have established a retail presence. Figure 7-1 depicts Company E’s considerations of pricing competition. This market information is then used as an indicator for a particularly promising store location as they believe that, while there may be price competition, there is no real “style competition”, as Entrepreneur E-2 explains:

“I told you also that we believe we are different. So, not easily comparable. We have pricing segment competition but not really style competition. One of the ways, for instance, we have placed ourselves in the cities [...] Where they went and to see okay is this the direction we could also come into?” (Entrepreneur E-2)

Figure 7-2 depicts Entrepreneur E-2’s mapping technique intended to identify local concentrations of competitors, aiming to identify promising store locations for Company E. Supported by research via Google Maps, he plots the single locations of competitors within potential target cities on a physical map. He not only explains his technique but also how he considers it to be enabled by his previous professional experience as an engineer:
“[Y]ou just put it on there and you see the concentrations, so you see that must be good [...] You see that’s why being an engineer is sometimes useful.” (Entrepreneur E-2)

In comparison to such sensing based on physical cartography and manual desk research of competitors’ store locations, Wood and Reynolds (2011) observe more sophisticated methods of retail expansion planning. For example, they report of location planning informed by software-assisted methods and spatial interaction modelling. More generally, they note that sensing retail opportunities in some cases includes senior management investing in location planning departments that independently produce forecasts for retail expansion.

Figure 7-1: Competitive segmentation conducted by Company E

Source: Own design, based on company documentation provided by Entrepreneur E-2 during interview.
While Entrepreneur D-2 also closely observes the competition in order to identify promising locations. Entrepreneur D-2 reflects upon how he sensed a new opportunity for Company D within an international market based on his observation of a competitor’s retail divestment, showing alertness and responsiveness:

“From one day to the other [...] the market was free. There was a massive turnover potential that was set free and we wanted to cover that. We wanted to be present over there. And this is a situation that changes the strategies very quickly as well. You march much faster than you originally had planned.” (Entrepreneur D-2)

Entrepreneur H also closely studies competitive retailers. However, the purpose behind his market research is not to identify a location of potential and to then develop the market himself as the entrepreneurs of Company D and Company E do. Instead, he explains that his analysis of the competitive landscape within potential market areas serves to identify retail companies as potential acquisition targets:

“[W]e still have some white spots. Looking into those areas, we are following certain retailers who are already present there, and if there is an opportunity, we will talk with them to take them over. We have a kind of buy and build strategy for the Netherlands and Belgium.” (Entrepreneur H)
The previous analysis shows that, while there are differences in the evaluation of the competitive landscape and variations in the purpose for which it is conducted, research on competitors allows entrepreneurs to identify specific locations during retail SME internationalisation.

Entrepreneurs further conduct research on competitors to identify business approaches that seem appropriate for establishing a retail presence in a specific international market. For example, Entrepreneur A-1 notes that as soon as she was sure that “the market was there”, her main concern was “just how to get access to it.” Within this context, a more consistent pattern emerges with regards to entrepreneurial sensing. Entrepreneurs turn towards strategies that underpin the top market players’ success in order to develop an own strategy. Amongst others (e.g. Entrepreneur I-1), Entrepreneur B explains:

“\[Y\]ou have to just take on board what’s best in class, best practice is in that particular territory, in that particular region.” (Entrepreneur B)

“If I know that one of my competitors is doing it a certain way, and I know that that’s successful, then I’ve got no issues with replicating that with my own brand. So, I look at people like Coach, and see what Coach are doing, benchmark those kind of brands.” (Entrepreneur B)

Similarly, Mitchell, Hutchinson and Bishop (2012) and Mitchell et al. (2015) highlight the replicating of competitor and industry norms in retail SME brand management in a national context. With regards to retail internationalisation into Japan, Entrepreneur I-2 develops this point further by explaining that he not only observes competitors of interest but also approaches the international partners these competitors work with in order to take in the most appropriate business approaches and resources:

“\[A\]bout five years ago, six years ago, we were looking at Kate Spade in the Japanese market. Kate Spade is a lower price point than us, but the way that they developed the market and particularly the way that they developed their customer base was very impressive. It wasn’t Kate Spade themselves, it was the trading house that they were associated with that we then got to talk to and ended up offering one of their guys a job.” (Entrepreneur I-1)

However, entrepreneurs do not fully replicate best practices as their own activities. Instead, sensing includes considering ways to adapt and indeed advance best practices. As one respondent explained it:

“I told you we calculate the difference, we look at those who had success and wonder how could we make things differently. Because people who just look at others to say I want to replicate their story by doing the same thing, it never works.” (Entrepreneur E-2)
As Marketing Manager C notes with reference to the activities of Entrepreneur C-2, such sensing efforts can include considerations in relation to a communication strategy, when learning about how competitors successfully transfer their brand identity:

“I think he’s also fond of various fashion retailers and I think he might even be discussing or is looking at how are they doing things, what we could adapt to us concerning, for example, when it comes to e-mail personalisation and these kind of things.” (Marketing Manager C)

This supports the view of Eisenhardt and Martin (2000) who conceptualise dynamic capabilities as best practices that show idiosyncrasy in their details.

In order to complement sensing based on observations of consumers and competitors, many entrepreneurs themselves keenly engage in generating market knowledge on site to learn about and assess international opportunities (e.g. Entrepreneur A-1, Entrepreneur A-2, Entrepreneur B, Entrepreneur D-2, Entrepreneur E-1, Entrepreneur E-2, Entrepreneur I-1) (see also Wood and Reynolds, 2012). To Entrepreneur A-1, the generation of knowledge on site can be the only valid method to sense a business approach tailored to the particular market:

“We didn’t do formal research, but it’s just simply from spending time in the US.” (Entrepreneur A-1)

Entrepreneur D-2 notes the importance he places on observing a market in person. He further expresses his understanding that such sensing serves to mitigate risk:

“You have to observe the market yourself. You have to talk to the people over there, with the retailers, with the players that are active in the market. And I believe that, in doing so, you can reduce risks.” (Entrepreneur D-2)

With regards to finding the appropriate store locations, Entrepreneur E-2, provides a specific example of how the experience on site complements his desk-based research and further supports Entrepreneur E-1 in developing the store concept:

“So, you do desk research, you go out there and visit the sites yourselves to get a feeling for the streets, for the foot falls [...] the feeling of [Entrepreneur E-1] on what one can do with this store to get this packaging [visual endorsement of the brand via store concept], right?” (Entrepreneur E-2)

Respondents further reveal knowledge generation on site conducted by entrepreneurs in relation to consumers (e.g. Entrepreneur E-1). For example, Entrepreneur A-1 explains:

“We were on holiday in Las Vegas. [...] I had my [Company A] bag, and we were in some vintage shops, and [Entrepreneur A-2], my husband, was saying to the girls, ‘Do you know [Company A]?,’ and they said ‘Yes. Oh yes, of course we know [Company A], and it’s great.’ We said, ‘Have you bought anything?’ They were like, ‘No,’ because if you’re in America you don’t have to buy anything from overseas.” (Entrepreneur A-1)
In addition to the analysis of their international wholesale performance, this knowledge generated on site supported the decision of Entrepreneur A-1 and Entrepreneur A-2 to establish a retail presence in the US (see also section 6.3.3 in Chapter Six for entrepreneurial orientation towards learning on site).

With regards to both identifying unfulfilled international demands and leveraging market-specific knowledge, it is important to note that some replies emphasise that such marketing-related sensing needs to be set in relation to the overall vision of the entrepreneur as regards the internationalisation of retail activities. Macro-level Respondent C notes that the entrepreneur “needs to have imagination about what he wants to achieve in this country”. In accordance with their careful attitude towards the mobilisation amid limited resources (see section 6.3.2.3 in Chapter Six), entrepreneurs particularly consider the scalability of a concept to be integral to their sensing of international opportunities (see also Dawson, 2001). Amongst others (e.g. Entrepreneur D-2), Entrepreneur B emphasises:

“What you want to try and do is enter a market where you can have a certain element of scalability. [...] The amount of effort to launch in one country is not linear. [...] the opportunity to open substantially more doors is better.” (Entrepreneur B)

It would seem that entrepreneurial sensing is not only based upon information about both external market players including consumers and competitors but also internal capabilities to generate economies of scale in terms of not opening one but several stores within an international market. With the exception of Company A, all participating companies operate several retail stores in the markets they are engaged in or have specific plans for scaling up their presence in countries only represented in with one store.

7.2.2 Entrepreneurial marketing-related seizing capabilities

Following the successful identification and assessment of specific opportunities for the brand identity in international markets, entrepreneurs re-create the brand identity and relevant marketing and management processes (~ordinary capabilities) via marketing-related seizing capabilities. Based on the empirical data, this study establishes ensuring a collective identity consistent with brand values amongst employees, providing a unique shopping experience and offering access to brand identity via social media as entrepreneurial seizing capabilities. During retail SME internationalisation, these seizing capabilities help to sell products on a new scale and to new customers. As such, these capabilities are distinct to ordinary capabilities concerned with “producing and selling the same product, on the same scale and to the same customer population over time” (Winter, 2003: 992). This study is amongst the first to identify such
entrepreneurial marketing-related seizing capabilities in the context of retail SME internationalisation. In doing so, it contributes considerably to the underdevelopment of the study of entrepreneurial marketing and management of brand identity in retail SME internationalisation (see section 2.4 of Chapter Two) and, more widely, the research gap regarding the transfer of brand identity during retail internationalisation (see section 2.3 of Chapter Two).

7.2.2.1 Ensuring a collective identity consistent with brand values amongst employees

The fundamental influence of employees on the success of retail SME internationalisation is noted in several interviews on both macro- and micro-level:

“People working for us are important [...] People are key.” (Entrepreneur H)

“Especially within the service sector the fight is not won based on what kind of suppliers or customers I am having - that is all water under the bridge. It’s rather about having the best employees.” (Macro-level Respondent I)

Thus, the engagement of entrepreneurs in aspects of human resource management is emphasised as a crucial entrepreneurial seizing activity. Interviewees certainly agree on the relevance of entrepreneurial efforts to retain well-experienced and well-qualified employees that can efficiently assist the entrepreneur with his/their ambitions to internationalise the business (e.g. Entrepreneur C-1, Entrepreneur B). More importantly though, is the synthesis of brand identity and employees when seeking to replicate brand identity marketing and management within international markets. Many contributions emphasise the importance of entrepreneurial engagement in human resource management that ensures a collective identity consistent with brand values amongst employees shaping the brand identity. It is stressed that entrepreneurs “have to not only build up a strong brand to the outside, but also to the inside in order to be successful in the long term” (Macro-level Respondent D). Entrepreneur F therefore considers entrepreneurial efforts related to human resource management to be “about building a DNA within the company”. Macro-level Respondent D explains the relevance of such entrepreneurial efforts by highlighting that the transfer of brand identity in the process of internationalisation typically occurs between employees and consumers on site:

“My employee is directly at the brand touch point, sticking with the brand, and well, he comes in touch with the consumer or whoever is interested in the brand. At the end of the day, I have to succeed in closing that gap between the brand identity of commerce over here and my employee on site over there, who is also a component of the brand identity.” (Macro-level Respondent D)

The wider retail branding and broader branding literature similarly have emphasised that employees function as brand builders, not only amongst the internal stakeholder group but
also in their engagement with consumers (e.g. Burt and Davies, 2010; de Chernatony, 1999; McColl and Moore, 2011; Orazi et al., 2017). This study presents insights into internal brand building by entrepreneurs in the context of retail SME internationalisation. In doing so, this study advances the literature on both retail SME internationalisation and retail SME branding.

To begin with, entrepreneurs seek to employ people with a genuinely positive attitude towards their brand identity. Amongst others (e.g. Entrepreneur E-1), two entrepreneurs explain it as follows:

“We have people on board who are all our fans, and working for the company is something they want to do. [...] Yeah, because when you have a certain way of doing things, people want to be part of that gang and certain type of person wants to be part of that gang [...] You need to know which person you’re looking for.” (Entrepreneur F)

“You get people who are already fans of ours, or people who know us, friends of friends.” (Entrepreneur A-1)

While respondents emphasise how important it is to integrate employees with a positive attitude towards the brand identity, they also make it clear that such entrepreneurial efforts represent only a first step.

Entrepreneurs frequently pay particular attention to integrate employees that align with certain dimensions of the brand identity, especially the value dimension. For example, Entrepreneur C-2 explains how he considers sharing the same values as a crucial element of the recruitment process and of subsequent staff development. As such, entrepreneurial efforts aim at ensuring a consistent experience of brand identity. He explains:

“Well, we’re pretty focused on having a consistent experience, global. We absolutely have a single set of company values that’s global. We talk about it a lot and we focus on hiring people who fit in with those values and we think about that when we make hiring decisions and we think about that when we do training.” (Entrepreneur C-2)

Contributions reveal that the entrepreneurs of Company A and Company H also actively seek employees that share the same values as the entrepreneur in order to ensure consistency of the brand identity. With regards to passion as an exemplar of such values, Entrepreneur A-2 even considers such sharing of the same values to be more important than professional experience:

“With us, we need people that have some interest in vintage, some interest in fashion, perhaps a passion for lingerie, a combination of that. That is far more important to us than whether they’ve worked in a shop for 35 years and have got tons of experience, because that you can teach people [...] when you walk into our shop I think you get a sort of a feeling. Some people get it and some people don’t. We need the people that really get it and really understand it and really want to work for us.” (Entrepreneur A-2)
Respondents from Company H similarly emphasise the “passion” and “love” for music that is shared amongst employees (e.g. Entrepreneur H, Global Marketing Manager H). Beyond that, Entrepreneur H emphasises that he looks for employees that are sufficiently engaged within the local music scene, so that he can leverage their network and knowledge around local events during internationalisation:

“Right, the most important thing for us is the local guy [...] he has to be present in the music scene, he has to have a network, he has to have good ideas around local events. That’s what we are looking primarily for.” (Entrepreneur H)

On the basis of the preceding discussion, one can conclude that entrepreneurial seizing in terms of ensuring a collective identity is found to focus on the assimilation of employees that not only share a positive attitude towards the brand identity but particularly towards the values incorporated within the internal understanding of brand identity. The focus on the values dimension of the brand identity among SMEs might be explained by Macro-level Respondent H’s observation that “the impact of getting one individual wrong and one individual misrepresenting a company from a values-perspective is much higher than in a big corporate.”

Comments made by interviewees reveal that entrepreneurial human resource management further aims at sustaining a developed collective identity amongst employees. Entrepreneurial ambitions to sustain a developed collective identity amongst employees appear particularly crucial as internationalisation progresses and entrepreneurial demands increase. Entrepreneur C-1 explains:

“[Once you are international, it’s not a 9 to 5 job, because it is not 9 to 5 in the United States, it is not 9 to 5 somewhere else. These people got to be motivated and love what they are doing.” (Entrepreneur C-1)

Interview contributions suggest group identity and brand ambassadorship to be particularly reinforced by leadership by example. This empirically corroborates Teece’s (2017) idea that leadership is a critical aspect of dynamic capabilities and further mirrors Mitchell et al.’s (2015) observation that the entrepreneur typically initiates brand ambassadorship. Amongst others (e.g. Macro-level Respondent E), Macro-level Respondent I highlights:

“First principle is leadership by example.” (Macro-level Respondent I)

Respondents from the participating companies confirm this view and connect leadership by example to the entrepreneur behind the brand. They signal a strong passion towards their employees and, in doing so, motivate employees during the seizing of international market opportunities. Amongst others (e.g. Entrepreneur D-2), Marketing Manager I notes:
“I think that has come from the top. [Founder and Creative Director 1] and [Entrepreneur 1-1] are here every day. They’re so involved. I guess you just lead by example. You can see that happening at the top and I think it just naturally filters down to the rest of the team.” (Marketing Director 1)

Similarly, London Store Manager A emphasises leadership by example exhibited by the entrepreneurs of Company A:

“[Entrepreneur A-1 and Entrepreneur A-2] are really great. What I like about them is that even that they are the core value, and they are the bosses, and they are in charge, they’re still in the office every day. They still work the same hours as we all do.” (London Store Manager A)

What becomes evident is that such entrepreneurial leadership support the continuity of brand identity and its re-creation during retail SME internationalisation. This is similar to observations by Tarnovskaya, Elg and Burt (2009) in relation to retailers of larger size.

Respondents connect the successful entrepreneurial embracing of the essence of the brand amongst employees to a successful transfer of the brand identity to the consumer during internationalisation. Providing sector-wide insights, Macro-level Respondent C notes:

“It is the advantage that through a strong identification with the brand, also in the store, you can attract customers.” (Macro-level Respondent C)

Micro-level respondents confirm this view. They speak of employees' ambitions to carry not only the essence of the brand identity to consumers, but also their enthusiasm for it:

“All this spirit is really lived by the company, by the employees, and then carried off to the customers.” (Marketing Assistant C)

With respect to music shop, Global Marketing Manager H extends this point by arguing that the ‘we’ feeling based on the shared passion for music even enables Company H’s differentiation from competition during internationalisation. He notes:

“It’s for musicians, by musicians. All of the guys in the stores, they play themselves. They love music, they love their instruments. That’s what makes [Company H] unique.” (Global Marketing Manager H)

Clearly then, ensuring of collective identity consistent with brand values is a crucial aspect of how entrepreneurs ensure the replication of their desired marketing of brand identity during retail SME internationalisation. One may even argue that it is an essential feature of internationalisation, given that “the behaviour of employees lies at the heart of any brand” (Burmann, Zeplin and Riley, 2009: 265).
7.2.2.2 Providing a unique experience

With respect to re-creating brand identity and serving new customers in international markets, respondents commented extensively on the provision of a unique experience as a type of entrepreneurial marketing-related seizing capability driving retail SME internationalisation. Amongst others (e.g. Macro-level Respondent H, Macro-level Expert B-1), Entrepreneur E-1 emphasises that “people today; they want to be touched” and that “they want to participate with you”. Consequently, various respondents stress the importance of customer-experience-led marketing-related seizing during international business development. Entrepreneurs F and I reflect:

“Because the way that we engage our customers is changing all the time - what we have to really understand is the experience of the customer. Everything should be experience-led. The experience of when you touch [Company F] or [Company F] touches you, has to be a happy one that leads to an engagement [...] That’s what you have to be thinking about.” (Entrepreneur F)

“More and more they’re into the experiences and will buy less of the products. [...] In order to get people into your stores, you have to offer more of an experience.” (Entrepreneur I-1)

Entrepreneur I-2 continues to explain that there consequently has “to be more theatre in the shopping experience to make it” in international markets. Likewise, Entrepreneur C-1 notes that a store nowadays has to be a “theatre”, especially amid the increasing competition from online retailing. McCormick et al. (2014: 271) similarly stress “socio-cultural shifts away from purely materialistic pleasures towards experiential fulfilment” in retailing, especially as regards the fashion sector. Pine and Gilmore (1998) more broadly discuss the relevance of providing an experience when offering a service to customers, introducing the notion “experience economy”.

Entrepreneurs in this study develop and implement routines that re-create dimensions of brand identity via differentiated store elements, providing a unique experience to the consumer. Global Marketing Manager F notes:

“Yeah, everything we do is designed to tell the brand’s story and to really convey the brand message. Obviously the stores are more of an ambassador of that because they have the space and the tools and there is the right mechanic to do it.” (Global Marketing Manager F)

Other evidence equally connects entrepreneurial seizing related to the store to keeping “that company feeling kind of going through” (London Store Manager A), “to give an emotion” (Entrepreneur E-1) and “creating a destination where customers can be privy to the weird and wonderful world of [Company B]” (Company B Franchise Operations Manual, 2016). Elaborations reveal entrepreneurs’ focus on developing and rolling out a store design and
visual store appearance accompanied by customer service that integrates signature features of brand identity to provide a unique experience during retail SME internationalisation.

Respondents make evident that entrepreneurs are very thorough in their efforts to re-create brand identity via the store design and visual store appearance. For example, Commercial Director B comments upon her and Entrepreneur B’s meticulous approach towards store design and visual store appearance based on Founder and Creative Director B, who represents the origin of the brand identity:

“[W]e have some small elements in store to hint at that personality. Whether it’s a lip shaped sofa or whether it’s some of [Founder and Creative Director B]’s handwriting and some of her famous phrases.” (Commercial Director B)

Similarly, Entrepreneur C-1 explains that the design of the store is linked to the origin of brand identity and her personal negative experiences when shopping in stores for tall women:

“The reason for the elegance of the store is that I had recollections of myself having to shop and finding tall girl shops in not very nice locations [...] I really wanted the shops to be just like a normal sized woman would experience, or an average sized woman, I’ll put it that way. I wanted tall women to come into my shop and just breathe that sigh of relief and not only that, but that tallness was celebrated, that it was seen as something beautiful, that we had lovely clothes.” (Former Entrepreneur C-1)

Entrepreneurs from companies E, G and I predominantly focus on what they perceive as the particular competence behind the brand in their store design and visual store appearance, namely specialisation in craftsmanship and design. For example, a press statement reveals Entrepreneur G’s intention to better illustrate the competence in craftsmanship of Company G behind the introduction of a new shop fit:

“The new shop fit is supposed to show that [Company G] stands for finest products and craftsmanship [...] atmosphere reminds of a manufacture. ‘It is important to us to show the love and passion bag maker, seamstresses and glove maker put into sorting of leather, cutting and seaming at [Company G] on a daily basis; to show the art and precision they put into their work’, explains [Entrepreneur G].” (Company G Online Press Statement, 2014)

In a similar manner, Entrepreneur E-2 amplifies a perception of superiority in the design of products with an ambition to tell brand stories rather than simply merchandising products within the store environment. He particularly acknowledges his attention to detail in relation to store elements:
“In terms of competitive advantage and how we are different from the others, at first, I told you, I think from a style perspective we’re simply different from the rest. [...] We sell stories not products by doing silhouettes and also the store environment is emotionally central to everything we do. [...] And you understood strong image control. The devil is in the details, not only pieces of clothing, it’s interior, ambience of store, VM, the boxes, everything.” (Entrepreneur E-2)

The entrepreneurs of Company I even develop a store concept solely intended to show their specialisation in manufacturing. In addition to ‘standard stores’, certain stores focus on the provision of a distinct customer offer in terms of customisation. For example, the Company I homepage reveals that in-store embossers within these outlets allow customers to draw messages in their own handwriting on Company I products. The option to personalise products in these stores is made possible by the early specialisation in manufacture - a crucial component of brand identity, as Entrepreneur I-1 explains:

“She was very early on it that personalisation in a product, the people could personalise for themselves. Their brand rather than our brand [...] It’s how you want to change it that changes it. Having said that, it’s a different side of the brand.” (Entrepreneur I-1)

In order to market happiness and fun as emotion-oriented values of the brand identity, the entrepreneurs of Company I further seize international opportunities by rolling out pop-up stores only dedicated to sell a specific type of product: comic-inspired leather stickers.

Whilst all respondents express their favourable opinions towards the coalescence of brand identity and store concept during retail SME internationalisation, they further note that it can be challenging to provide a unique experience in the store. For example, with regards to the opening of a flagship store in New York, Global Marketing Manager F notes on exceptional entrepreneurial efforts to completely deconstruct and redevelop retail spaces that were taken over in order to be able to build a store concept that fully represents the signature brand identity:

“So much work to decorate it, completely took out whatever was there, the wall, everything, the floor. There was a stage where nothing was there and then a lot of travel back and forth for [Chief Financial and Operations Officer F], [Entrepreneur F] and [Visual Merchandise manager F] to fix things.” (Global Marketing Manager H)

Entrepreneur E-1 expresses how the aim to generate a unique experience through a store concept or design could slow down the process of internationalisation. Apparently, the store specification is so dependent on its location as well as the architecture of the physical structure itself that identifying the building in the right location proves very difficult:
“[F]irst you have a feeling for the area and the store you’re going to have: can be the window, it can be the architecture of the house, it can be even some frame - but it has to have something [...] What can I express? If it’s not possible to give emotion there, then we don’t go. That’s why also it is very difficult to internationalise because also we need to feel it. [...] That’s why we maybe go little bit slower than competition but I think the stores we open are much more solid.” (Entrepreneur E-1)

In addition to the store concept and appearance, entrepreneurs develop customer services to enhance the effect of a distinct and customised experience based on the brand identity during international business development.

The creation of a unique experience in store through customer service starts with the visual appearance of the employee. Entrepreneurs mobilise resources that go beyond the standard of a neat appearance to incorporate signature elements of brand identity in the way their employees look. Amongst others (e.g. Entrepreneur E-2), Commercial Director B notes on entrepreneurial effort in this area:

“We [referring to her and her Entrepreneur B] also try and make sure every store member is dressed in a way that we think is sympathetic to the brand. Wearing signature red lipstick, wearing black pencil skirt and a little white shirt as much as possible to mirror the brand. That would be sort of an in-store way of communicating.” (Commercial Director B)

Some respondents note that entrepreneurs themselves also follow a brand-sympathetic visual appearance (Macro-level Respondent I, Commercial Director B). By referring to Entrepreneur G, Macro-level Expert Company G-1 explains that such visual appearance is a component of brand ambassadorship, which, especially in fashion, is a powerful tool:

“[Y]ou can see that she [Entrepreneur G] is always wearing her own products and carries them with and puts them into scene. She is her own model and she herself is being a brand ambassador. I mean, especially, in fashion, this is something that works very well.” (Macro-level Expert Company G-1)

While developing a brand identity compliant visual appearance is noted as a way to visually communicate the essence of the brand, the transfer of the brand identity in the direct engagement between employee and consumer is even more frequently elaborated upon.

All of the studied entrepreneurs develop very precise ways for their retail staff to engage with their consumers in order to provide a unique experience (exception Entrepreneur H). They provide information, seminars and training to staff in order to educate them about the key elements of the brand identity. In doing so, entrepreneurs seek to ensure that the employee abroad continues to exhibit a positive attitude towards and feels part of the brand identity. Entrepreneur G explains:
“We train them and we also invite them to us in order to make them excited about it.” (Entrepreneur G)

“Yes, it’s an emotional momentum, this excitement. Other aspects are facts and background information in terms of the history of the house and the outstanding quality, techniques of production, techniques of craftsmanship, selection of material, quality control etc. Because only if people know about all the things we are doing, and we do have the experience, only if people know what is behind it all, this is the actual key to their excitement. Then they can tell the stories and sell the product completely different in a sales conversation.” (Entrepreneur G)

What becomes clear from the data is that such education about the brand is not a one-time entrepreneurial action. Commercial Director B explains that staff education and training is conducted for each season, acknowledging constant change within the collections. In doing so, the brand identity, which is linked to the Founder and Creative Director B’s competence in design, is transferred into international markets despite the direct absence of Founder and Creative Director B in the company’s contemporary operations:

“I suppose in terms of our seasonal collections [...] What inspired [Founder and Creative Director B] about it [...] so that even if [Founder and Creative Director B]’s not there they can say, ‘This is [Founder and Creative Director B]’s favourite bag that she’s carrying at the moment and she loves it because x, y and z.’” (Commercial Director B)

It therefore seems that entrepreneurs wherever possible engage in continuously sharing latest information with the employees “so they can talk passionately as part of the brand rather than separate from it” (Commercial Director B). In addition to staff training, for example, Entrepreneur E-2 further places staff that is well-experienced with the brand identity within international stores:

“An important factor in the internationalisation of our retail, in most of our stores abroad we have at least someone who comes from one of our Belgian stores [...] who already knows the DNA of the company.” (Entrepreneur E-2)

If the entrepreneur succeeds in instilling the essence of the brand identity in the behaviour of employees, the gap between the internal and external stakeholder group can be closed, as Entrepreneur G states:

“And via excellently trained sales personnel you have the opportunity to directly bring the brand close to the consumer. This is a great marketing opportunity.” (Entrepreneur G)

Since the preceding discussion emphasises entrepreneurial efforts to instil knowledge and excitement about brand identities amongst employees as well as their positive effects on the international appeal, interrelations with entrepreneurial seizing in terms of ensuring collective brand identity consistent with brand values become apparent.
Taken together, by carefully embracing dimensions of brand identity in the store design and visual appearance as well as customer service, entrepreneurs re-create the brand identity as the key resource during retail SME internationalisation based on experience-led marketing-related seizing. In doing so, they create a distinct atmosphere and experience in-store, thus supporting the development of an international market appeal. For example, Macro-level Expert Company E-2, CEO of a retail operation from the United Arab Emirates, underlines the importance of the internal dimension of the brand to successful retail SME internationalisation. He particularly emphasises the capability of the entrepreneurs of Company E to transfer the love story of the two founders of Company E - the origin of the brand identity - in this context, providing a ‘sensual experience’ to consumers in Middle Eastern stores:

“They call it a love story and you can sense that. The way a brand is lived from within is something incredibly important today [...] you definitely can sense that. You can also sense this within the store, with regards to the shop fitting, the presentation, the advertisements - everywhere. They are very strong in that regard.” (Macro-level Expert Company E-2)

In the case of Company F, Macro-level Expert Company F perceives the coalescence of brand identity and in-store experience to be so effective; it allows international consumers to experience an alternative reality based on the modern historical period that defines their brand identity:

“The atmosphere is very faithful and is very coherent, again, with her unique point of view. [...] Everything is very, very, very coherent. This is the key. The key is coherence, unique designs and coherence, which offers an experience in the store. [...] you are dived into her inner world, this retro style. You’re completely in another world. It’s very enchanting somehow.” (Macro-level Expert Company F)

Similarly, the broader retail management literature previously found that particularly stores function as a strategic device to transfer a retail brand and, in doing so, increase the market appeal of a retailer (Fionda and Moore, 2009; Moore and Doyle, 2010). This study provides such insights with respect to the entrepreneurial marketing and management of brand identity during retail SME internationalisation, providing a significant academic contribution (see section 2.4.3 in Chapter Two). This study further benefits the retail SME branding literature where only few studies address the transfer of brand identity via the store (e.g. Mitchell et al., 2015).

7.2.2.3 Providing access to internal brand dimensions via social media

Respondents emphasise that particularly social media channels and a corresponding direct interaction with new consumers in international markets offers entrepreneurs a valuable opportunity to communicate the essence of their brand identity during retail SME internationalisation. Entrepreneurial statements stress the important role of online channels and especially social media:
“Our single biggest channel for the engaging with the prospects is the Internet.” (Entrepreneur C-2)

“Social media is very important.” (Entrepreneur F)

“I think that probably the easiest way for us to communicate our brand essence is through social media and marketing. [...] Social media is definitely an important mechanic of getting our personality across.” (Entrepreneur B)

As depicted in Table 7-1, the analysis of online and social media marketing communications of all participating firms shows that such interaction is conducted via diverse channels and incorporates a broad spectrum of content. Company B and Company I, even communicate via Chinese online channels Weibo and WeChat in addition to the rather common channels. As the following sections will show, relevant content promoted by entrepreneurs to address new customers during retail SME internationalisation surpasses periodic product campaigns, which would be considered an ordinary capability (e.g. Karna, Richter and Riesenkampff, 2016; see section 3.2.3 in Chapter Three). Instead, via online and social media contents, entrepreneurs enable new consumers located in international markets to access brand identity by implementing social media communications that explicate the origin and competence dimension of brand identity. This is a valuable contribution since findings extend previous insights. For example, Ashworth et al. (2006) with respect to two retail SMEs from the lingerie sector have previously noted that e-tailing serves international market development and the increase of brand exposure. Brand building via social media is now considered with the findings presented in this study. Frasquet, Dawson and Mollá (2013) more broadly likewise consider brand building as a relevant dynamic capability during the internationalisation of larger retailer.
### Table 7-1: Overview of online and social media channels as well as content of online and social media interaction

<table>
<thead>
<tr>
<th>ONLINE AND SOCIAL MEDIA INTERACTION</th>
<th>COMPANY</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
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<td>Seasonal/new product launches</td>
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<td>Founder + employees behind brand</td>
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<td>Events</td>
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Source: Own compilation, based on evaluation of documentary data.
Entrepreneurs readily invest resources in online marketing communications to represent dimensions of the brand identity to international markets, in particular the origin of brand identity in terms of either the geographic origin or the founder’s personality. For example, Entrepreneur A-1 seizes various opportunities to communicate via social media. She directly invests her time, name and other resource into social media communication, trading on the Britishness of the brand identity. For example, one of Entrepreneur A-1’s online posts describes her inspiration for a new product range:

“I first thought about doing a Union Flag corset last Spring, to celebrate Prince William’s and Kate Middleton’s wedding. [...] I started working on a range of Jubilee lingerie in red, white and blue [...] surprisingly those outside the UK are most enthusiastic!” (Online Homepage Entry Company A, 2012)

Likewise, online communication of Company B emphasises the country of origin of the brand with taglines such as “Celebrating the best of British” (Online Homepage Entry Company B, 2012) and “Bringing Britishness to the big apple” (Online Homepage Entry Company B, 2011).

Other entrepreneurs leverage marketing communications to highlight the origin of the brand identity with regards to the founders’ personalities. For example, Company D seasonally produces a print catalogue alongside more modern communication channels to feature the newest collections. Marketing Manager D explains how Entrepreneur D-1 leverages this opportunity to provide further information on the entrepreneur’s family as the origin of the brand identity:

“The current owner, [Entrepreneur D-1] has his face behind everything. When you open the catalogue, the ski catalogue or flyers, you can see a picture of him at the very beginning [...] we now also have a YouTube movie. The whole family tries to bring in the history and, well, we try, in terms of [Company D] marketing, to bring in the family history as well.” (Marketing Manager D)

Celebrating the 40-year anniversary of Company C, the current entrepreneurs approached the Founder and Former Entrepreneur C to participate in a video to share her perspective on the origin of the company. Former Entrepreneur C-1 notes:

“I’ve been to the photo shoot and interview. They selected five women to represent the brand.” (Former Entrepreneur C-1)

Similarly, Entrepreneur E-1 engages directly in communicating the essence of the brand identity of Company E. Diverse marketing communication of Company E emphasises how the love story between Entrepreneur E-1 and his wife turned into the success story of Company E with their passion serving as the foundation for successful business development. Despite expressing some personal discomfort, he even agreed to have a Spanish magazine produce a
‘home story’ to allow consumers to look behind the brand, making the brand identity more accessible:

“[Entrepreneur A-1] makes all of us visible, which I think is important. It's important for a customer to know exactly who is packing your orders, exactly who is designing your things, exactly who is doing what [...] [Entrepreneur A-1] drives it, but she also brings us out as well, and that I think it is important for customers, to know the individual.” (London Store Manager A)

While respondents mostly emphasise the founder as the key internal stakeholder behind the brand identity, London Store Manager A emphasises that Entrepreneur A-1 also openly shares information online about other internal stakeholder, notably employees and their particular role within the organisation. Similar to Entrepreneur E-1, she emphasises the accessibility of a brand to consumers:

“[Entrepreneur A-1] makes all of us visible, which I think is important. It's important for a customer to know exactly who is packing your orders, exactly who is designing your things, exactly who is doing what [...] [Entrepreneur A-1] drives it, but she also brings us out as well, and that I think it is important for customers, to know the individual.” (London Store Manager A)

While Entrepreneur H and Global Marketing Manager H similarly identify the benefits of online marketing communications to promote store openings, Global Marketing Manager H acknowledges that the use of this channel to re-create the origin of the brand identity is not complete and requires attention in their case:

“The brand identity is maybe not, if you look online for example, it's not personal enough. I think we should make it a lot more personal [...] our people are not visible, and that is, I think, a flaw at the moment, something we should work on.” (Global Marketing Manager H)

Yet, Company H appears to remain the exception. The above subsection clearly shows the engagement of entrepreneurs and former entrepreneurs in terms of not only their endorsement of, but also their active participation in social media communication during retail SME internationalisation.

Some respondents further report that the entrepreneurs of Company F and I invest resources in online marketing communications to make their internal understanding of a unique product competence better accessible for consumers. These entrepreneurs purposefully seek to not place too much attention on the founder personalities behind these brands in online marketing communications, but instead on products and craftsmanship. For example, Entrepreneur F discusses how a less personality-focussed social media communication is favoured in their case:
“What we do in social media is we kind of curate everything so that it looks very strong. I was looking at a social media by an up-and-coming jeweller who will remain anonymous. Her whole drive was, twice a day she was posting. It was a ring on this or on this. Most of it were pictures of her. And that’s not us. We don’t do that. We might show a beautiful picture taken by Venetia Scott in L.A. and it’s just a beautiful picture, and that’s why we put it there, kind of sharing it. We’re not going for that sudden me, me, me [...] and we’re not in that game, quite deliberately.” (Entrepreneur F)

Entrepreneur F continues to explain that, in doing so, he deliberately steers the public attention to the design competence of Co-Founder and Creative Director F:

“We let [Co-Founder and Creative Director F’s] work speak for ourselves because that’s good work.” (Entrepreneur F)

Similarly, Entrepreneur I-2 explains that he does not consider it beneficial “to have one person [Founder and Creative Director I] so tied into the whole look and feel of the brand”. He too describes the online communication of Company I to be reduced in content about brand personalities and, instead, focussed on the product:

“[C]urrently in fashion we’re going really minimalistic. It’s here a picture of a product and very little else.” (Entrepreneur I-2)

It becomes evident that the entrepreneurs’ understanding of the brand identity and their assessment of the key dimensions informs the online communication. The re-creation of an authentic brand identity requires entrepreneurs to pay attention to the appropriate range of insights spread across online channels.

These findings emphasise the significance of entrepreneurs leverage of marketing communications to accurately translate the brand identity into international markets. Entrepreneurs strive for an authentic re-creation of brand identity via social media and aim to make customers feel they are part of the brand identity themselves. Two respondents develop this point in the following manner:

“E specially in the days now with Instagram and Facebook and social media, people want to feel that they can see behind the scenes that everything that’s presented to them is authentic [...] so important for a brand nowadays, to make their customers and their clients feel involved.” (Macro-level Expert Company A)

“They tell the story. They tell the whole [Company E] story very, very well. It becomes believable, it becomes authentic, and I think today’s modern consumer doesn’t just buy a brand, but they also join the brand.” (Macro-level Expert Company E-2)

Orazi et al. (2017) note with respect to new digital media such as social media that consumers feeling part of the brand may ultimately even lead to the establishment of a networked brand identity.
7.2.3 Entrepreneurial marketing-related modifying capabilities

The research conceptualisation, which largely draws on theoretical contributions on dynamic capabilities amid an absence of empirical studies, suggests that entrepreneurial transforming capabilities refer to the entrepreneur’s continued renewal and adjustment of the brand identity as a key resource and its seizing in international markets. While the international business literature is underdeveloped and fragmented in its precise understanding of such entrepreneurial transforming (Teece, 2014a), notions of “transition” (Helfat and Peteraf, 2015) and “mutation” (Teece, 2014a) provide some indication on their power to create change within an organisation. In contrast, evidence gathered in relation to the firms in this study suggests that entrepreneurs largely take a consistent view towards brand identity and its management during retail SME internationalisation. Hence, the experience of brand identity amongst internal and external stakeholder remains the same. Several respondents provide statements expressing coherence, consistency and standardisation:

“Well, we’re pretty focused on having a consistent experience, global.” (Entrepreneur C-2)

“It is managed similar to the way we do it here in the domestic market.” (Entrepreneur E-2)

“Yeah, it’s a global view.” (Entrepreneur F)

“The concept is quite similar.” (Entrepreneur H)

“[H]aving gone international, make it feel the same everywhere, make the ethics of the business, make the culture of the business, make the design of the business the same.” (Macro-level Respondent A)

“[T]hat [brand] story remains uniform.” (Entrepreneur F)

As a consequence, elaborations about entrepreneurial marketing-related transforming capabilities, which foster transitions and mutations of brand identity elements, are less relevant amongst the companies studied. This study only identifies slightly modifying dimensions of brand identity as a dynamic capability that – in a rather limited extent – concerns renewal and adjustment of brand identity. This capability, however, is not exclusive to internationalisation but integral to business development per se.

7.2.3.1 Slightly modifying dimensions of brand identity

Some elaborations underline that business development per se – including internationalisation – requires specific entrepreneurial modifying capabilities: the capability to modernise or advance elements of brand identity. For example, presenting his sector-wide perspective, Macro-level Respondent E notes:
“[T]here is a continuous advancement of the brand, [...] a continuous care-taking of the brand and actualisation of the brand.” (Macro-level Respondent E)

Amongst others (e.g. Entrepreneur D-2), Entrepreneur E-2 sees benefits in continuously embracing renewal during international business development and emphasises the infinitude of brand development:

“[P]eople will like that because also you try always to bring something new. It’s never finished, no.” (Entrepreneur E-1).

The entrepreneurial capability to modernise or advance elements of brand identity is evidenced based on accounts from companies C, D, E and G.

With regards to the origin dimension of the brand identity, the entrepreneurs of Company E make modifications during more advanced stages of retail SME internationalisation. Entrepreneurial modifying in this particular case included rethinking the role of their geographic origin in relation to their internal understanding about what the brand stands for. Entrepreneur E-2 explains how they internally increasingly experienced difficulties to relate to other Belgian brands and became aware of their evolution as a brand:

“We wanted to evolve from a Belgium brand. Not being, as I told here, we are a fashion brand out of Belgium, but we are not, we don’t feel we are Belgium brands, no. Because Belgium brands are more classic [...] we needed to make it something more clean. Because the clothes were already a story. Story plus story is too much. We need to readapt this and make it more fresh. Fresh was the idea.” (Entrepreneur E-2)

The entrepreneurs of Company E invested resources into the cooperation with an international branding studio to assist this rebranding process. Secondary data clarifies the efforts required from the “core team”, which includes the entrepreneurs of Company E, during this process:

“Starting with a series of interviews followed by a workshop with the core team, we tailored [Company E’s] gut feelings into words, visuals and a global communication statement. [...] we defined the ultimate [Company E] personality [...].” (Online Branding Studio Case Study on Company E, 2015)

Yet, the resulting evolution is not considered to have substantially altered the DNA of the business, as Entrepreneur E-2 explicates by referring to changes in the brand logo:

“I think you don’t change your DNA but you adapt also with your emotion on time being - you change. Now we keep [city name] as a creative stem, because I think we have an academy with designers we real love. [...] Then for us, to put [city name] into the brand name, we are proud of this, we are from the city of creative people. That’s the thing we keep. The rest - we made it clean.” (Entrepreneur E-2)

A rebuilding of Company E’s brand identity based on the entrepreneurs’ reconstruction of the origin dimension by embracing a Belgian city as their creative origin becomes apparent.
Contributions in relation to Company E represent a one-off renewal of the origin dimension of brand identity based on changes in the internal understanding of the brand. In comparison, Teece (2012) emphasises dynamic capabilities externally stimulated by changes in markets and technologies. He further emphasises continued renewal of resources in relation to transforming.

Contributions further underline that, as opposed to transforming, entrepreneurs moderately modify products in the light of an evolving internal understanding of the brand concept. For example, Former Entrepreneur C, who only traded Company C in the domestic market, notes that the new entrepreneurs “put in perhaps a little bit more fashion, but they brought a real kind of high street zing to it”. According to Former Entrepreneur C, they made the brand identity more suitable for internationalisation in this case. Entrepreneur D-2 also emphasises the importance of modernising the product assortment to uphold the international appeal:

“All, to position the brand with newer and younger products. [Company D] has a lot of history, but history can be a bad thing in terms of being out-dated and being put in that corner.” (Entrepreneur D-2)

While Entrepreneur G similar to Entrepreneur D-2 slightly adjusts the product assortment to combat negative consumer perceptions, she does so by extending the product assortment instead of modifying existing products. Originally, the brand identity of Company G used to be closely connected with "the art of glove making at the highest level and [...] the very finest craftsmanship" (Company G Press Statement, 2011). Entrepreneur G has moved away from this sole focus by introducing accessories to the range:

“And I thought about in which areas it would make sense to develop further? Where are our potentials? And this was the expansion of accessories, new product groups within existing markets.” (Entrepreneur G)

“Leather manufacture still remains the core competence of the business. However, one does not want to solely be seen as a ‘problem solver for cold hands’.” (Company G Online Press Article, 2016)

In doing so, she fosters a wider market reach and seeks to move away the brand identity from rather negative connotations, increasing its international appeal. A continuously evolving understanding of elements of brand identity becomes apparent as a stimulus of entrepreneurial modifying with corresponding alterations manifesting itself in the upgrade, modernisation or extension of products.

Few respondents discuss cultural differences and local tastes as a potential stimulus for entrepreneurial modifying, especially as regards the product as a result of and symbol for a
brand identity competence in terms of a specialisation in craftsmanship and design. Respondents express nuanced considerations and largely reiterate their advocacy of ensuring a consistent and coherent re-creation of brand identity across international markets as outlined in the introductory section on entrepreneurial marketing-related modifying capabilities. They may note on several entrepreneurs adjusting operational basics such as country-specific linguistically correct labelling, quality requirements and sizing (e.g. Entrepreneur A-2, Entrepreneur B, Entrepreneurs C-1). However, entrepreneurial modifying of a strategic purpose and targeted at the reconfiguration of brand identity in the context of a new value-creating strategy is rare. Most entrepreneurs adhere to the roots of their brand identities and follow a very consistent product strategy during internationalisation. They do not transform or modify a product. They only allow a variation in the collections provided to international stores in order to acknowledge market-specific preferences of product types:

“We don’t change designs, no way. You may get a selection variation.” (Entrepreneur F)

“It’s all too easy to say this market requires this or that market requires that. [...] We try and not do that. This is the collection. You can buy it differently.” (Entrepreneur I-1)

The entrepreneurs of Company C similarly refuses to install country-specific product adjustments, as Entrepreneur C-1 notes for example:

“The most important thing, you know, lots of companies have started by saying, our customers in different countries wanted different things, which obviously must be, and there is a truism in it. But you can’t be all things to all men. So, we have decided that we do not make any variations. What we make is what we make.” (Entrepreneur C-1)

Entrepreneur C-1 further explains that such consistency in the product strategy is underpinned by his learning orientation, especially his openness to learn from the mistakes of other internationalising retailer:

“Because you just get yourself tied up. I remember, Gap used to do like a European range, an American range, all in different sizes and then they dropped it.” (Entrepreneur C-1)

In contrast to notions of mutation and transition (Helfat and Peteraf, 2015; Teece, 2014a), studied entrepreneurs prevent changing that would dilute the essence of brand identity during retail SME internationalisation. Even cultural differences experienced during retail SME internationalisation do not stimulate entrepreneurial capabilities leading to the mutation or transition of the brand identity.
7.2.4 Contribution of marketing-related dynamic capabilities to the process of retail SME internationalisation

As outlined in section 3.2.2 in Chapter Three, dynamic capabilities in this thesis are understood to re-create and renew a firm's resource base and compose a new value-creating strategy that potentially contributes to firm performance in terms of differentiation and superior market performance. The previous section has identified specific entrepreneurial marketing-related dynamic capabilities that build and maintain the process of retail SME internationalisation. It has indeed been demonstrated how each of the identified dynamic capabilities serves the strategic purpose of re-creating and renewing brand identity as a key resource that enables differentiation, sustaining retail SME internationalisation.

Figure 7-3 schematically represents the different sensing, seizing and modifying capabilities as well as their contribution to internationalisation. While sensing, seizing and modifying capabilities are presented as separate entities in Figure 7-3, contributions by interviewees as outlined in the previous sections of Chapter Seven reveal their occasional interconnectedness.
Figure 7-3: Schematic representation of findings on entrepreneurial marketing-related dynamic capabilities

Clusters of entrepreneurial dynamic capabilities intended to recreate and renew brand identity as key resource

Specific examples of entrepreneurial DCs

✓ Contribution to retail SME internationalisation

MARKETING-RELATED SENSING
The entrepreneur’s identification and assessment of international market opportunities for the brand identity

Identifying unfulfilled international demands

Leveraging market-specific consumer and competitor knowledge

MARKETING-RELATED SEIZING
The entrepreneur’s mobilisation of brand identity to address international market opportunities, and to capture value from doing so

Ensuring a collective identity consistent with brand values amongst employees

Providing a unique experience

Providing access to internal brand dimensions via social media

MARKETING-RELATED MODIFYING
The entrepreneur’s marginal renewal and adjustment of brand identity as key resource

Slightly modifying dimensions of brand identity*

✓ Identification of promising foreign markets and specific locations therein

✓ Identification of appropriate approach towards business development within specific international markets

✓ Stimulation of employees’ correct re-creation of brand identity at touch point with consumer

✓ Implementation of stores as ambassadors of brand identity in international markets

✓ Increase of authenticity in the re-creation of brand identity via marketing communications

✓ Creation of coherence and consistency in the re-creation of brand identity in foreign markets

✓ Increase of brand awareness and customer loyalty

✓ Formulation of an ethos around the brand amongst internal and external stakeholder

✓ Ensuring of coherence and consistency in the re-creation of brand identity in foreign markets

✓ Increase in appeal of brand identity via modernisation and advancement of brand identity

Source: Own design, based on evaluation of interview, documentary and archival data collected for this study.

* Entrepreneurial capability that concerns overall business development / not exclusive to internationalisation.
Although Figure 7-3 already provides considerable insights into their positive impact on retail SME internationalisation, it is possible to further specify the value-creating nature of the entrepreneurial marketing-related dynamic capabilities identified. Beyond their contribution as depicted in Figure 7-3, on a general level, respondents also share positive opinions by speaking of "tangible benefits" (Entrepreneur C-1), “incremental customer value” (Entrepreneur C-2), “big wins” (Entrepreneur F), "great numbers“ (Entrepreneur I-2) and "nice level of growth“ (Entrepreneur D-2) in relation to the impact of single entrepreneurial dynamic capabilities on the process of internationalisation. With reference to international retailing, Entrepreneur E-1 even argues that value creation is an imperative:

“Everything we do always needs to have a value, otherwise it’s not possible in the business.” (Entrepreneur E-1)

While respondents note that each type of marketing-related dynamic capability contributes value, they emphasise that additional value creation resides in the aggregation of the different types of marketing-related dynamic capabilities:

“[T]o combine those elements, I think that makes us successful.” (Entrepreneur H)

“This mixture is what makes the difference.” (Entrepreneur G)

Clearly then, entrepreneurial marketing-related dynamic capabilities as evidenced in this study can be seen as determinants of a value-creating strategy.

Contributors underline that such a value-creating strategy based on entrepreneurial marketing-related dynamic capabilities directly supports a firm’s differentiation in international markets, which is closely connected to a competitive positioning therein. For example, Entrepreneur C-1 states:

“[B]eing competitive doesn’t necessarily just apply to price, it applies to the overall offering and to the uniqueness of what you’re trying to do.” (Entrepreneur C-1)

Respondents from Company F provide specific accounts on their uniqueness and how they differentiate themselves from competition:

“I don’t think anything looks like us or I don’t think we look like anything. I think that’s because of the creative process that we use and the DNA that we’ve established.”(Entrepreneur F)

“Because this is something different. What we do is unique. There is no other brand like this. [...] It is difficult for me to say, ‘Here is a list of our competitors’ because we can have competitors from print and pattern point of view [...] What we really push things through is our unique inspiration, which is the 50s, 60s, and 70s [...] this is the key element and the very first thing we bring to the plate.” (Global Marketing Manager F)
Interviewees develop this point further by explaining that uniqueness in their niche-based offering contributes to the appeal amongst consumers, which benefits international business development. Three of them distil it in the following manner:

“But for us, we are quite niche, which in a way works to our advantage because [...] We are quite unique in our appeal.” (Commercial Director B)

“And the good thing, as far as [Company C] is concerned, is, because we are a niche, the customers have enormous confidence in us. We have a very high retention, much higher than any business I have ever been involved.” (Entrepreneur C-1)

“[Entrepreneur A-1] certainly, from what I can tell, spotted a niche in the market and went for it and has managed with good business acumen. She’s managed to work that niche and increase that niche and get the level of custom that she needs to make a successful business.” (Macro-level Expert Company A)

Hence, differentiation based on a value-creating strategy and the corresponding unique appeal advances the positioning of firms in international markets, supporting a successful process of retail SME internationalisation.

This study did not seek to measure the effect of the contribution of entrepreneurial marketing-related dynamic capabilities in terms of whether identified dynamic capabilities drive either temporary or sustained competitive advantage. However, a few accounts imply that marketing-related dynamic capabilities as evidenced in this study may even lead to the achievement of superiority to competition. A clear differentiation between competitive and sustained competitive advantage is the basis for providing empirical evidence that may further specify the contribution of dynamic capabilities. In this study, competitive advantage is understood as the result of “a value creating strategy not simultaneously being implemented by current or potential competitors”. If, additionally, “other firms are unable to duplicate the benefits of this strategy”, sustained competitive advantage is achieved (Barney, 1991: 102). For all companies (except Company B), interviewees’ perceptions indicate that differentiation results in superior levels of competitiveness with respondents emphasising that they are “number one” (e.g. Entrepreneur D-2, Entrepreneur H) or “market leader” (e.g. Entrepreneur G). Going beyond the uniqueness of their overall offer, respondents from companies A, F and I even perceive their brand identity and entrepreneurial marketing-related dynamic capabilities to be inimitable by competitors, thus suggesting a sustained competitive advantage. For example, asked whether competitors may copy their concept and overtake their customers, Entrepreneur A-2 reports:

“Yeah, people have tried to do it over the years. Several people have tried to do it here and failed. (Entrepreneur A-2)
Entrepreneur A-2 continues to explain that their unique entrepreneurial ambitions and commitment makes it impossible for other firms to duplicate their particular value-creating strategy and its benefits:

“\textit{The difference between us and the people that have tried to replicate what we are doing or tried to copy our products is that we are passionate about them and we have always, this is probably what we will always do, whatever the size of [Company A], because that's what we know and we love and we understand and get excited about. Whereas other people have thought ‘Oh, they are doing really, really well, so we’ll have some of that action.’ And they do it, but they don’t have that passion and the gut feel, the history of this whole thing. [...] It doesn’t work like that.’}” (Entrepreneur A-2)

Likewise, Entrepreneur F indicates that inimitability of their value-creating strategy resides in the personal entrepreneurial commitment:

“\textit{People try and copy us but it just doesn’t work. They don’t do it properly. [...] They just don’t, you know.’}” (Entrepreneur F)

“I think it’s about building a DNA within the company and then once you have that DNA, you have it. [...] always make sure that your DNA is strong enough, not your DNA but the way that you do things that creates your DNA. Let’s say in five years’ time or whatever, it is unbreakable. We always do it properly.” (Entrepreneur F)

Respondents' internal perceptions indicate necessary conditions for both temporary and sustained competitive advantage. These internal suggestions support the view that dynamic capabilities have the potential for contributing to superior competitiveness, as suggested in the literature (e.g. Zahra, Sapienza and Davidsson, 2006).
7.3 Summary

This chapter presents findings on entrepreneurial marketing-related sensing, seizing and modifying capabilities serving the re-creation and renewal of brand identity during retail SME internationalisation. Identifying unfulfilled international demand, and leveraging market-specific consumer and competitor knowledge are identified as entrepreneurial sensing capabilities. Entrepreneurial seizing includes ensuring of a collective identity consistent with brand values amongst employees, providing a unique experience and providing access to internal brand dimensions via social media. Entrepreneurs favour consistency and coherence in the re-creation of brand identity. In contrast to the international business literature, this study therefore does not identify entrepreneurial transforming capabilities serving the mutation and transition of resources. Instead, the entrepreneurial capability of slightly modifying dimensions of brand identity is found to support business development – including internationalisation. Each of these dynamic capabilities in itself and even more their combination creates value and serves differentiation in international markets, possibly even superior competitiveness.

These findings advance the retail management literature, which remains underdeveloped in its understanding of how entrepreneurs market and manage brand identity as a strategic asset and, in doing so, drive retail SME internationalisation (see section 2.4.3 in Chapter Two). The business literature also benefits from these results. Contributions on dynamic capabilities are scarce and mostly theoretical in nature. Scholars are further divided in their understanding of the conceptualisation of dynamic capabilities. It is clear from this study and ideas by Peteraf, Di Stefano and Verona (2013) that elements of both the Teecian and the Eisenhardt and Martin view may be evidenced (see section 3.2.3 in Chapter Three).
8 FINDINGS ON ENTREPRENEURIAL NETWORKING-RELATED DYNAMIC CAPABILITIES DRIVING RETAIL SME INTERNATIONALISATION

8.1 Introduction to findings on entrepreneurial networking-related dynamic capabilities

This study’s conceptualisation of entrepreneurial networking-related dynamic capabilities draws on initial insights from the retail management and international business literature, and targets identified research gaps. The role of personal networking for retail SME internationalisation was the focus therein since not only the level of analysis in this study is the entrepreneur, but also the relevance of this type of networking appears heightened. Also, there already exists some knowledge on inter-firm networks in internationalisation, for example strategic alliances, joint ventures and franchising. Thus, new insights into personal networking are more relevant for advancing theory (see section 2.4.4 in Chapter Two). Against this background, the research conceptualisation suggests entrepreneurial networking-related dynamic capabilities to include:

— the entrepreneur’s identification and assessment of international market opportunities that is assisted by their personal network (sensing)
— the entrepreneur’s mobilisation of resources to address international market opportunities, and to capture value from doing so assisted by their personal network (seizing)
— the entrepreneur’s continued renewal and adjustments of resources and their seizing assisted by their personal network (transforming)

Following this conceptualisation of networking-related dynamic capabilities, this study’s primary research question and its secondary questions in the context of entrepreneurial personal networking are:

Research Question 3: How do the entrepreneur’s networking-related dynamic capabilities re-create and renew a firm’s resource base, building and maintaining retail SME internationalisation?

— What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating market access and international business development?
— How do network-assisted market access and international business development support a sustained retail SME internationalisation process?
By providing answers to these research questions, this study contributes to the retail management literature, which remains underdeveloped with respect to how entrepreneurs leverage their personal network during retail SME internationalisation (see section 2.4.4 in Chapter Two).

Chapter Eight is organised as follows. It explores entrepreneurial networking-related dynamic capabilities within the clusters of sensing and seizing. How each of these capabilities creates value during retail SME internationalisation is thereby addressed. Interrelations of networking-related and marketing-related dynamic capabilities are shown. The absence of networking-related transforming capabilities is then shown. Finally, the chapter conceptualises how networking-related sensing and seizing capabilities contribute to a sustained process of retail SME internationalisation.

8.2 Entrepreneurial networking-related dynamic capabilities facilitate retail SME internationalisation

Similar to observations by Sasi and Arenius (2008) in the wider business literature, the following sections show that interpersonal networking particularly concerns the entrepreneurs' leverage of prior business contacts, family and friends, who may be located either in the home or host market of the internationalising retail SME. Interviewees’ contributions confirm that a focus on personal networking is appropriate when exploring entrepreneurial networking-related dynamic capabilities. Amongst others (e.g. Global Marketing Manager F, Macro-level Respondent A), Entrepreneur E-2 stresses:

“A personal network trumps everything.” (Entrepreneur E-2)

In line with the emphasis of a personal bond, quite a few contributions make evident a close and collaborative approach between entrepreneurs and their personal network. Such a dynamic is characterised by resource investments from both sides and constant interchange:

“I think you’ve just got to put the hours in, build up those relationships.” (Entrepreneur B)

“[Y]ou have to give, as well as receive.” (Entrepreneur F)

In order to acknowledge this collaborative approach and to portray the complete picture, the remainder of the chapter not only focuses on how entrepreneurs leverage their personal network for their advantage, but also addresses necessary entrepreneurial investments in their network.
Before presenting the in-depth evaluation of entrepreneurial networking-related dynamic capabilities, it is important to note that contributions reveal that this type of dynamic capabilities largely supplements and complements the distinct marketing-related dynamic capabilities concerned with the re-creation of brand identity as displayed in Chapter Seven. In the retail SME branding literature, Mitchell, Hutchinson and Quinn (2013) similarly emphasise the importance of networking related to the marketing and management of brand identity for retail SMEs, introducing the notion of marketing support networks. This study provides empirical substantiation for such marketing support networks, contributing to theory development on retail SME internationalisation and retail SME branding.

8.2.1 Entrepreneurial networking-related sensing capabilities

Entrepreneurs from almost all companies (except Company C) report on the entrepreneurial leverage of the personal network for the identification and assessment of international market and business opportunities. Interviewees' remarks suggest that networking-related sensing enhances the process of researching a market as outlined in the context of marketing-related sensing capabilities (see section 7.2.1.2 in Chapter Seven) by combining own market knowledge with network actors' knowledge and experience. Such research efforts relate back to entrepreneurs’ learning orientation (see section 6.3.3 in Chapter Six). Amongst others (Entrepreneur D-2, Entrepreneur E-2), speaking of networking, Commercial Director B notes with regard to herself and Entrepreneur B that it is their aim to develop “as much information as you can about a region before you go into it”.

8.2.1.1 Enhancing market-specific knowledge

By leveraging the market-specific knowledge and experiences of friends, family and former business contacts, entrepreneurs improve the knowledge base within their company. In general, it is reported by interviewees that entrepreneurs continuously engage in an exchange with personal contacts in order to enhance their market knowledge in relation to a multitude of market dynamics. For example, Entrepreneur G elaborates upon how she draws on personal contacts to other businesses to receive information about international markets:

“There is always an exchange in terms of what happens in your markets in terms of production, demand, market-wise, sales-wise, where are consumer structures changing, where are supply structures changing, what practice is celebrated. It’s a lot of exchange.”

(Entrepreneur G)

Entrepreneur E-2 also acknowledges that “we listen to everyone to get many different ideas” to advance the identification and assessment of international opportunities during retail SME
internationalisation. Entrepreneur E-1 is also taking advice from his network of former business contact and asks “what would you do? What do you think about this city?” (Macro-level Company-Expert E-1). Entrepreneur G explains that “via this exchange, yes, a lot of information develop and come together as a case“. Such exchange of information with external stakeholders from their personal network helps entrepreneurs to improve their understanding about specific international markets.

More specifically, the enhancing of market knowledge based on entrepreneurs’ leveraging of personal networks particularly concerns the identification of the appropriate business approach within an international target market. Respondents utilise the country-specific international experience of personal contacts in retail brands of the same origin to sense the appropriate approach towards foreign market development. For example, with regard to Asian markets, Entrepreneur B notes how important it is to consult personal contacts from other internationalised retail SMEs of British origin regarding the appropriateness of replicating their market business models in international markets:

“I spent a lot of time with people from Paul Smith, Accessorize and Monsoon. Talking to those kinds of people to understand: what did they do well? What were their learnings? Could we replicate, you know, their business model?” (Entrepreneur B)

Similarly, Entrepreneur I-1 explains the need to proactively acquire considerable information from his personal network of friends and past associates embedded in the retail sector when accessing unknown international retail locations:

“[If] I was going to move into a shopping quarter, almost the first thing I would do is find out who else I know in the business is in this quarter? Who they’re with? Did it work? Why did it work? Did it not work? Why didn’t it work?” (Entrepreneur I-1)

Such entrepreneurial networking with personal contacts within other retail brands does not come as a surprise, since findings on marketing-related sensing already revealed that entrepreneurs seek to identify best practice approaches within specific markets. Beyond the consultation of their personal network, entrepreneurs challenge their own ideas with the help of friends within and outside the retail sector, as Entrepreneur E-2 notes:

“It’s market research. [Entrepreneur E-1]’s someone very open. He likes to talk to everyone. He has a lot of friends in the sector or outside of the sector and likes to challenge all the ideas with many people.” (Entrepreneur E-2)

What becomes evident is that entrepreneurs add knowledge and experience from external stakeholders such as friends, family and former colleagues that are either experienced or familiar within a particular market, complementing their sensing of opportunities during the whole process of internationalisation.
While the majority of respondents perceive information provided to entrepreneurs by external stakeholders as advantageous, it is also highlighted that “what works for one wouldn’t necessarily work for another once there is no cookie cutter approach” (Entrepreneur I-1). A few respondents suggest that differences amongst companies determine the extent of how information provided by the personal network may be leveraged during retail SME internationalisation. For example, speaking of a close relationship to an entrepreneur within another internationalising retail SME, Entrepreneur I-1 acknowledges that “[t]hey’re a different brand from us. It has different drivers”, yet he considers it “useful though to say who in that market do we wish to emulate? Who do we admire?” Similarly, with regard to networking practices of fellow entrepreneurs within Company E, Entrepreneur E-2 notes that “sometimes they [Entrepreneur E-1 and Co-Founder and Creative Director E]) do something completely different, but at least they got inspired”. While there are clear differences in the extent of how information provided by the network is leveraged, it becomes clear that respondents reject a one-to-one replication of business approaches. Similarly, the easy transferability of business approaches has been questioned in the context of marketing-related sensing. It is largely emphasised that the insights and information provided by the network supplement the personal understanding. Respondents stress that networking helps them “channelling down our research” (Global Marketing Manager F) or to “give us that more rounded picture” (Commercial Director B), but does not replace the SME’s own research. Entrepreneur B, for example, explains that external knowledge acquired through the personal network only represents one layer of his entrepreneurial sensing:

“You leverage the knowledge, you leverage their market intelligence, their cultural understanding of the population there. Then overlay that with your expertise on your brand, on your product, on your distribution and your manufacturing. Hopefully, between the two, you will drive a very successful proposition to the consumer.” (Entrepreneur B)

This suggests networking-related sensing complements and supplements marketing-related sensing during retail SME internationalisation. This finding mirrors the notion of “marketing support networks” as introduced by Mitchell, Hutchinson and Bishop (2012) in the retail SME branding literature and general observations in the international business literature (Brouthers, Nakos and Dimitratos, 2015; Weerawardena et al., 2007). In contrast to these studies and the findings reported here, a study of New Zealand exporting SMEs from diverse sectors shows that networking-related dynamic capabilities may replace the conducting of market research, suggesting a much higher relevance of the network in sensing-related decision-making during SME internationalisation (Sternad, Jaeger and Staubmann, 2013). Further comparative research would be beneficial to better understand how industry and geographic contexts may
influence the role of the entrepreneurial network with respect to sensing opportunities during SME internationalisation.

8.2.2 Entrepreneurial networking-related seizing capabilities

Entrepreneurs engage in personal networking to seize opportunities during international business development. They engage in various types of networking-related seizing including ensuring internationalisation readiness, which supports marketing-related seizing in terms of providing a unique experience via retail stores. Ensuring consistency of the re-creation of brand identity by making relationships more personal is further established as networking-related seizing. This type of networking-related dynamic capability supports marketing-related seizing in terms of both providing a unique experience and providing access to internal brand dimensions via social media (see sections 7.2.2.2 and 7.2.2.3 in Chapter Seven). As such, similar to findings reported on networking-related sensing, networking-related seizing capabilities are linked to the re-creation of the brand identity in international markets.

8.2.2.1 Ensuring retail internationalisation readiness

While distribution logistics and plant layout, amongst others, are considered examples of ordinary capabilities (e.g. Karna, Richter and Riesenkampff, 2016), the “ability to design, develop, implement, and modify” such operational routines for the leverage of brand identity as a strategic asset during internationalisation can be considered a dynamic capability (Teece, 2014b: 9; see section 3.2.3 in Chapter Three). Empirical results make evident that the network particularly supports entrepreneurs in the design and development of required operational processes. Several respondents emphasise that “doing the right things” during retail SME internationalisation includes entrepreneurs to ensure the readiness of their firms before they start to establish stores that serve the re-creation of brand identity in international markets (see section 7.2.2.2 in Chapter Seven). Entrepreneur D-2 accentuates that there are “[a] lot of things that have to be done in the background in order to get this process started”. Similarly, Entrepreneur B stresses that “[y]ou do have to get your house in order to ensure that you can have the best chance at making it successful.” Ensuring retail internationalisation readiness concerns entrepreneurs addressing matters of financing and supply chain management to enable the establishment of international stores, as well as matters of retail logistics to ensure continuous operational procedures once international stores have been opened. Entrepreneurs seek the advice of friends within other retail brands or former business contacts when facilitating change in this regard.
This study finds that previous business contacts, which have become part of the personal network, help entrepreneurs in establishing a starting point for conversations and negotiations regarding matters of financing and supply chain management. In order to overcome limitations or deficiencies in financial resources, entrepreneurs tended not to engage in high borrowing (see section 8.3.2.2 of Chapter Eight). Instead, they seek the help of their personal network to circumvent high financial borrowing. Carefulness regarding the financial investments required to make retail internationalisation a feasible option becomes apparent, a finding consistent with those presented in Chapter Six. For example, Founder and Former Entrepreneur C reports to have been able to secure financial investment in retail internationalisation from a friend:

"I mentioned the idea to a friend of mine over here and he said that he would be happy to invest in me and so I had the opportunity to go create the shop of my dreams, which is really, really a blessing." (Founder and Former Entrepreneur C)

Entrepreneur C-1, was able to negotiate exceptional financial terms with a supplier he established a personal relationship with during a previous business partnership. As such, he achieved better conditions than most other businesses from suppliers. He exemplifies this point as follows:

"On the wall, they have a list of customers who they would give credit to. And at the top of the list, it read ‘Unlimited: to [Entrepreneur C-1] and Harrods.’ [...] The value, that I was held by people, it is something, you know, like your reputation is everything.” (Entrepreneur C-1)

Entrepreneur C 1 continues to note how he drew on another of his personal contacts to overcome supply chain hurdles with regard to minimum order quantities:

"[I]n China and the Far East, they usually have 1000 pieces of a style, sometimes 500, but they don’t like going below. I went and said ‘I am really in a problem here, because the most we can afford to buy is 200. It’s just the beginning, can you help us out?’ And that guy just laughed and said ‘We know you, no problem at all. When you were at [company previously owned by Entrepreneur C-1], you told me the same story and within two years you were ordering 5000s, 10000s.’" (Entrepreneur C-1)

In order to reinforce such advantages for retail SME internationalisation, Entrepreneur C-1 underlines that “for me, and the most important thing is to build up a reputation with your suppliers.”

Respondents from companies A, B, C and I further note on how entrepreneurs leverage their personal network to advance retail logistics in relation to the establishment of international stores that serve the re-creation of brand identity. Discussions on retail logistics do not come as a surprise since Hutchinson et al. (2009) identified logistics as one of the key barriers to retail SME internationalisation. While these scholars discuss formal networking and present
government support as an option to overcome logistics hurdles during retail SME internationalisation, this study presents evidence on how the personal network is leveraged by entrepreneurs. Entrepreneur I-2 stresses the benefit to learn from the experience of his personal network in terms of "how they do things and who they use, where they manufacture or where they store stuff, how they distribute". When entering several international markets and serving multiple international stores via a number of warehouses, some respondents emphasise retail logistics in terms of inventory management (e.g. Entrepreneur C-2, Entrepreneur D-2). Entrepreneur B engaged prior business contact Macro-level Company-Expert B, co-owner of a retail solutions provider whom Entrepreneur B previously worked with while employed for another internationalising retail company, to establish a holistic view towards inventory management. Macro-level Expert B-1 explains with respect to inventory management:

"I think we gave him such a good experience, that when he moved to [Company B] and they were looking for a new solution, he came back to us." (Macro-level Expert B-1)

Entrepreneur I-1 similarly has gained access to a retail brand to better understand logistic processes via a personal relationship and leveraged their business experience to develop an own inventory system:

"It’s international realisation. [...] I was talking to a friend of mine who runs [British fashion retail SME] business. He said, ‘Come in and see it [~ inventory system]. We’ve just installed that one; come in and see it; talk to my guys; find out what they like, what they don’t like.’ [...] That’s the thing people will do and do. It’s very useful." (Entrepreneur I-1)

In addition, Entrepreneur I-1 reports to have benefitted from a personal relationship with respect to finding the right trading partner during international business development:

"[M]y friend at [British fashion retail SME] put me in touch with another of the trading houses in Japan and said, ‘We’ve worked with these people for many years. I get on extremely well with them. This is the name of the man I see. Go and see him when you’re out there.’" (Entrepreneur I-1)

Entrepreneur A-1 similarly comments on how she used the personal network to overcome retail logistics hurdles when expanding into the US. She explains that a friend located in the US market assisted with her returns management:

"We had a friend out there who said that they’d take the returns for us, but it’s always when people are doing you favours it never works out as well as you want it to work out."

(Entrepreneur A-1)

Later, she redesigned the handling of returns in a systematic manner by installing a small logistics centre aligned to retail operations. Whilst the entrepreneurial actions and processes described above are outside the direct view of the customer, they represent necessary processes in the background that support the providing of a unique experience of brand
identity within international retail stores to customers (see section 7.2.2.2 in Chapter Seven). It thus becomes clear that ensuring retail internationalisation readiness supports customer experience-led entrepreneurial seizing of international opportunities.

8.2.2.2 Making relationships more personal

As explained in the literature review and the outset of this chapter, the entrepreneurs' engagement in personal and informal networking with former business contacts, friends and family during retail SME internationalisation is focussed in this dissertation. Yet, it is interesting to report that, at some point, personal and formal business networking tend to overlap. Global Marketing Manager F picks up on this point and notes:

“[I]nternational retailing “is a world that is not only based on business but is also based on people feeling for each other and sympathy and being friends and having common grounds” (Global Marketing Manager F).

The following section will show that entrepreneurs tend to seize international opportunities for brand identity by giving formal relationships a “personal touch”.

Interviews as well as secondary data disclose that Companies B, D, E, F and I enter into strategic alliances in the form of joint venture or franchise agreements in some of their international markets. As such, the growth of international retail stores and their unique (retailer-specific) in-store experience as well as international marketing communications becomes an integral part of entrepreneurs' formal networking during international business development (see also Doherty, 2007; see sections in Chapter Seven). With regard to the recreation of the brand identity in-store, respondents highlight that entrepreneurs strive for coherence and consistency for consumers, as “you have to have also the same experience” (Entrepreneur E-1), “a consistent experience, globally” (Entrepreneur C-2). This point is reiterated and extended in relation to formal networking. For example, Macro-level Respondent I emphasises the importance of maintaining a brand during international partnerships:

“[O]nce] I have an honest and decent business partner [...] it is a lot about keeping the values of a company in the context of maintaining a brand, as small as it might be.” (Macro-level Respondent I)

Entrepreneur E-2 extends this point by concluding that international partners have to replicate the features of brand identity within international markets:

“[F]or the partners it’s very important to replicate up to the small details. The devil is in the details.” (Entrepreneur E-2)
When speaking about the risk of a “fundamental misalignment” (Entrepreneur I-1) between the desired re-creation of brand identity and the actual re-creation by international business partners, contributions reveal that entrepreneurs invest significant time and resources into a close, personal and sometimes rather informal engagement and communication with those partners. For example, Entrepreneur D-2 describes his engagement with formal business partners in international markets as “a very close partnership. It is almost like a wedding.” In doing so, the entrepreneurial engagement and communication with the formal network surpasses – respectively reinforces – rather static and formal agreements and compliance related to, for example, franchise contracts and visual merchandise agreements, which would be considered ordinary capabilities (see section 3.2.3 in Chapter Three).

Similar to ensuring collective identity consistent with brand values amongst the employees (see section 7.2.2.1 of Chapter Seven), the identification of a shared vision between the entrepreneur and the external stakeholder is perceived as a vital starting point to ensure a consistent re-creation of brand identity. For example, Entrepreneur B emphasises his personal engagement with franchise partners in this regard:

“I think the first thing is sitting down with a partner, just to make sure you get a shared vision. I think if you have a vision and you don’t communicate it in the right way, or the partner doesn’t share that vision, then you’re not starting off on the right footing.”
(Entrepreneur B)

Respondents agree that “in case it doesn’t match, it won’t work out well” (Macro-level Respondent J). Following the initiation of a business partnership and the ensuring of a shared vision, the navigating of the network to ensure the desired re-creation becomes important. Amongst others (e.g. Entrepreneur F), Entrepreneur B emphasises the importance to control the brand identity and its re-creation during retail SME internationalisation:

“[R]etain that control. You can’t allow them [international network partners] to dictate your brand or the things that have made you successful.”
(Entrepreneur B)

Going beyond contractual agreements such as visual merchandise agreements (see also Doherty, 2007), it is revealed here that entrepreneurs engage in non-routine actions to reinforce the store design and visual appearance that portrays the brand identity in a desired way. For example, Entrepreneur E-2 explains that standard franchise guidelines are reinforced by occasionally sending Company E’s visual merchandising team to those countries operated via franchise: “our VM team goes to Switzerland. They sometimes go to Korea.” Likewise, Entrepreneur B provides visual merchandising resources to franchise partners to re-create the brand identity in international markets. In case the production of visual merchandising material on site is more convenient, personal advice and clearance by Entrepreneur B or the marketing
team is provided, as International Business Development Manager B explains with regards to seasonal campaigns:

“So every season we’ll have campaign imagery [...] although we will do a lot of artwork here for them, sometimes it’s easier for them to make up artwork themselves, send it through to the marketing team here or to [Entrepreneur B].” (International Business Development Manager B)

Moreover, Entrepreneur B fosters the replication of certain roles adopted in the domestic market within the structures of the international partnership, so that close and personal exchange and meetings around marketing efforts including social media is cultivated:

“They work very, very closely, and they have their own social media. So, we try and replicate the roles between ourselves and themselves, and then social media people talk, the commercial people talk, the marketing people talk. They come over to us. We go over to them. It’s quite a very collaborative approach.” (Entrepreneur B)

Entrepreneur B more widely notes on the relevance of face-to-face communication with international network partners during retail SME internationalisation:

“Email might not [always] be the right communication tool, so sometimes it’s just easier just to get on a plane. Go out and just discuss it, sort it out. Or they come over. Just park until next time we meet.” (Entrepreneur B)

International Business Development Manager B, who is amongst those employees specifically tasked to working closely with international partners, provides further insights on the extent of personal communication and visits between Company B and its international partners:

[A] lot of it is communication with them as regularly as possible. They’ve been over here a number of times now, they’ve seen what we’re doing in the office, they’ve seen what we’re doing in the stores. [...] I try to be as open as possible with them about projects that are going on in the UK, even if they’re not relevant to that market they know that we’re doing, say some event in the store [...] Then that sort of mixes in to the essence of the brand of doing all these sort of more interesting things and maybe then they can sort of take ideas from that, and sort of tweak them in a way to fit their market.” (International Business Development Manager B)

In like manner, the entrepreneurs of Belgian Company E engage in personal communication and engagement with franchise partners in international markets. For example, one of the franchisees highlights the collaborative approach of the entrepreneurs of Company E:

“You don’t have the feeling to be working with a big corporation such as Hugo Boss. It is still more personal. Surely, we are in direct contact with the owners as we have an own store and they just have been here with us a short while ago. It’s very special and they are incredibly proactive. [...] It is much more personal [...] it’s a collaborative approach and they want to help and we are supposed to deliver. You can surely sense that there is a huge interest behind it and a lot of pragmatism.” (Macro-level Expert Company E-1)
Such a personal approach towards entrepreneurial networking with formal business partners follows logically since a geocentric outlook on international business development includes a collaborative approach between headquarters and local branches (Perlmutter, 1969; see section 6.3.1 in Chapter Six).

Whilst this thesis did not initially seek to provide insights into formal networking, the semi-structured nature of interviews enabled to explore and display in the previous section how personal and formal networking might overlap. Entrepreneurs give formal relationships with business partners a “personal touch” in order to reinforce how the brand identity is re-created in-store and on social media by international business partners. It becomes evident that ensuring consistency of brand identity re-creation by making formal relationships more personal relates to the navigation of the network. The previously discussed dynamic capabilities of enhancing market research and ensuring retail internationalisation readiness largely represent entrepreneurial actions supported by the entrepreneurial network.

8.2.3 Absence of entrepreneurial networking-related transforming capabilities

The research conceptualisation suggests that entrepreneurial networking-related transforming capabilities relate to entrepreneurs continuously renewing and adjusting resources such as brand identity, as well as their seizing with the help of their network, for example to acknowledge cultural differences between international markets. Largely, however, the interviewees’ contributions do not lay bare significant entrepreneurial networking-related transforming capabilities. This does not come as a complete surprise. The previous section on networking-related seizing capabilities revealed that entrepreneurs strive towards consistency and coherence in the re-creation of brand identity as a key resource through networking. When explicitly asked about the influence of the personal network on changes to resources such as brand identity and their seizing, interviewees again emphasise that entrepreneurs rather require partners to ensure consistency in the way the brand identity is re-created. Entrepreneur E-2, for example, frequently stresses that the “devil is in the details” and that, in case a consistent re-creation is not feasible, he would prefer to exit a market instead of losing control over brand re-creation:

“[W]e want to remain independent and we do accept that maybe our style will not be for certain countries. We have to accept that, but we cannot commercially prostitute ourselves I would say to please everyone.” (Entrepreneur E-2)

Using the example of online marketing communications, Marketing Director I similarly emphasises a lack of transforming in relation to the network. She further explains that she does
not anymore perceive distinctiveness between international territories. She rather observes similar macro environments reducing needs for networking-related transforming:

“With our franchise partners for sure, we always roll out at the same time. Just because there aren’t really territories anymore. The world is so wide and open and if you’re launching something on your social media [...] it rolls out at the same time. But again, as we know now what works in each territory it’ll have the same aesthetic.” (Marketing Director I)

Against this background and for the firms researched in this study, it may be concluded that entrepreneurial transforming capabilities not only with respect to marketing (see section 7.2.3 in Chapter Seven) but also with respect to networking appear to not be of significant relevance during retail SME internationalisation. Instead, it becomes clear from this research and previous studies from the branding and wider retail internationalisation literature (e.g. Orazi et al., 2017; Wigley and Chiang, 2009) that consistency in entrepreneurs’ re-creation of brand identity is key for building and maintaining retail SME internationalisation. This result is in contrast with Helfat and Peteraf (2015) and Teece (2014a), who emphasise the role of transforming in terms of mutation and transition.

8.2.4 Contribution of networking-related dynamic capabilities to the process of retail SME internationalisation process

The previous section has identified specific entrepreneurial networking-related dynamic capabilities that underpin the process of retail SME internationalisation. It has been shown how each of the networking-related dynamic capabilities identified contributes to the process of retail SME internationalisation. Most elaborations by interviewees as outlined in the previous sections of Chapter Eight demonstrate that networking-related dynamic capabilities follow the strategic purpose of supplementing and complementing marketing-related sensing and seizing capabilities. Figure 8-1 schematically represents the different entrepreneurial sensing and seizing capabilities as well as their contribution to internationalisation. Beyond their contribution as depicted in Figure 8-1, it is possible to further specify the contribution of networking-related dynamic capabilities.

In line with the support function established in the previous sections of this chapter, the majority of micro- and macro-level respondents provide a nuanced and differentiated view on the contribution of networking to retail SME internationalisation and its success. They further make evident the limitations of networking-related dynamic capabilities’ contribution to retail SME internationalisation. For example, International Business Development Manager B’s
observations of Entrepreneur B’s personal networking reveals that the evaluation of the benefits of networking requires a case-by-case and differentiated perspective:

“I don’t know whether it benefits having that relationship. In some ways it does. In more ways than one it benefits, but I think there are certain nitty gritty things there.” (International Business Development Manager B)

It is further repeatedly pointed out that international business development does not rely on external stakeholders. Entrepreneur F concludes:

“They’re not going to change your life for you.” (Entrepreneur F)

Entrepreneur D-2 similarly stresses to not rely too much on his network, as he would otherwise fear to lose control over his business during retail SME internationalisation:

“We do it ourselves. We do believe that we have to do the core business ourselves. If you yourself don’t know how things are working, it doesn’t work out for you.” (Entrepreneur D-2)

Macro-level respondent H shares her sector-wide perspective on entrepreneurial networking, confirming its supporting function:

“[K]nowing when to do it alone and when actually you need support and partners to achieve it” (Macro-level Respondent H).

Clearly then, in contrast to marketing-related dynamic capabilities, entrepreneurial networking-related dynamic capabilities are not perceived to compose a value-creating strategy that exists on its own. They add further value, respectively function as an enabler, to the value-creating strategy of entrepreneurial marketing-related dynamic capabilities. As such, entrepreneurial networking-related dynamic capabilities tend to only indirectly contribute to differentiation and possibly superior firm performance. This empirically validates the idea of marketing support networks in retailing (see Mitchell, Hutchinson and Bishop, 2012).

Only a few interviewees comment on the contribution of entrepreneurial networking-related dynamic capabilities to the process of retail SME internationalisation in a rather general manner and suggest far-reaching effects of personal networking. For example, with respect to retail SME internationalisation in the fashion sector, Global Marketing Manager F notes that “a big chunk of things is about networking.” Macro-level Respondent C even argues that entrepreneurial networking is a precondition for success during retail SME internationalisation by noting that “without a network, I think, you cannot be successful.” These rather generalised and absolute statements, however, do not reflect the majority view of interviewees that participated in this study.
Figure 8-1: Schematic representation of findings on entrepreneurial networking-related dynamic capabilities

Clusters of entrepreneurial dynamic capabilities intended to recreate and renew firm resources with the help of the personal network

Specific examples of entrepreneurial DCs

✓ Contribution to retail SME internationalisation

NETWORKING-RELATED SENSING

The entrepreneur’s identification and assessment of international market opportunities for the brand identity with the help of the network

Enhancing market research

✓ Identification of promising foreign markets and specific locations therein

✓ Identification of appropriate approach towards business development within specific international markets

NETWORKING-RELATED SEIZING

The entrepreneur’s mobilisation of resources to address international market opportunities for the brand identity, and to capture value from doing so with the help of the network

Ensuring retail internationalisation readiness

Ensuring consistency of BI re-creation by making relationships more personal

✓ Preparedness of firms’ background processes for serving (multiple) foreign retail markets

✓ Retaining of control over re-creation of brand identity in international markets

✓ Reinforcement of coherence and consistency in the recreation of brand identity in foreign markets

Source: Own design, based on the evaluation of interview, documentary and archival data collected for this study.
Chapter Eight presents insights into entrepreneurial networking-related dynamic capabilities during retail SME internationalisation. It becomes evident that entrepreneurs use the help of their personal network of former business contacts, friends and family to support marketing-related dynamic capabilities. Networking-related entrepreneurial sensing is linked to market research in the context of marketing-related sensing. Entrepreneurs improve their knowledge base about international markets and their potential by leveraging country-specific knowledge and experiences from their personal network. Closely linked to marketing-related seizing in terms of providing a unique experience, ensuring retail internationalisation readiness concerns entrepreneurs leveraging personal contacts to finance and supply international retail stores, and to install appropriate retail logistics. Ensuring consistency of brand identity re-creation by making relationships more personal is further evidenced. Entrepreneurs give formal relationships a “personal touch” to bolster the desired re-creation of brand identity beyond contractual agreements. In line with the emphasis of consistency, networking-related transforming is not endorsed by the empirical results of this study. Networking-related sensing and seizing capabilities complement and supplement marketing-related dynamic capabilities. As such, they indirectly contribute to differentiation and potentially superior levels of competitiveness during retail SME internationalisation.

These findings advance theory development and refinement in the retail management literature, which remains underdeveloped in its understanding of how the entrepreneur leverages the personal network during retail SME internationalisation and, more specifically, marketing support networks (see section 2.4.4 in Chapter Two). The identification of distinct networking-related dynamic capabilities and their supporting function also serves theory advancement in the business literature. A more nuanced understanding of the contribution of dynamic capabilities is provided by this study, challenging the closed Teelian view, which emphasises that dynamic capabilities lead to sustained competitive advantage (see section 3.2.3 in Chapter Three).
9 DISCUSSION

9.1 Introduction

The findings of this study as presented in the previous chapters offer new empirical insights into the core drivers of retail SME internationalisation. To the best of the author’s knowledge, first detailed empirical validation of an international entrepreneurship perspective to retail SME internationalisation is provided. The retail management literature so far presents research, which often takes a holistic perspective on retail SME internationalisation (e.g. Hutchinson and Quinn, 2012). SME internationalisation, however, is increasingly seen as the act of the entrepreneur. The individual as opposed to the firm is increasingly considered the relevant unit of analysis in SME internationalisation studies (e.g. McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2006). This chapter provides detailed contextualisation of this thesis’ findings on the role of the entrepreneur in retail SME internationalisation and their contribution to the retail management and international business literature as well as relevant retail branding and wider marketing literature.

Chapter Nine is structured as follows. First, based on this study’s findings, the centrality of the entrepreneur in retail SME internationalisation is discussed. Next, guided by the research questions setting the scale and scope for this study, the role of the entrepreneur is evaluated regarding important characteristics and dynamic capabilities. Finally, discussed findings are applied to the conceptual framework that has been proposed in Chapter Four.

9.2 Retail SME internationalisation: an entrepreneurial act

This empirical research builds upon those international business studies that present SME internationalisation as an entrepreneurial act and classifies the entrepreneur as the central component of internationalisation (e.g. Andersson and Florén, 2008; Lloyd-Reason and Mughan, 2002; McAuley, 2010; Ruzzier, Hisrich and Antoncic, 2007; Schulz, Borghoff and Kraus, 2009). While Hutchinson et al. (2007: 111) observe that internationalisation is an entrepreneurial act “for some smaller specialist retailer[s]” from their sample consisting of UK firms, the current study finds this to be the case within all of the North-Western European firms studied here. Macro-level experts confirm this view across a wider perspective. The centrality of the entrepreneur in retail SME internationalisation is based on an improved understanding of the interplay of brand identity and entrepreneur.
Similar to prior research (Hutchinson et al., 2007), this study finds that brand identity enables differentiation from competition during retail SME internationalisation. The retail SMEs studied here target the differentiation from competition in their strategy and consider the brand as a resource that facilitates such differentiation. This mirrors the principles of the RBV (see also Box and Miller, 2011; Lerchner and Gudmundsson, 2014; Porter, 1980). In particular, interviewees stress that the organisation as a brand is particularly important with differentiation emanating from the brand identity’s unique and distinct brand promise alongside behaviours associated with the brand. Entrepreneurs thus purposefully integrate brand identity in their strategy towards retail SME internationalisation. Such findings do not accord with Couto and Ferreira (2017) who observe limited brand-building effort as a result of limited financial and human resources in SMEs (see also Wong and Merrilees, 2005).

While the brand identity is identified as a key resource that enables differentiation, the mere access to and possession of a brand identity is insufficient for sustained retail SME internationalisation. Consistent with retail SME branding and broader international retailing studies (cf. Mitchell et al., 2015; Tarnovskaya and de Chernatony, 2011; Wigley and Moore, 2007), it is found that the retail SME entrepreneur’s continuous shaping of brand identity and its management is required for successful sustained internationalisation. As such, with reference to brand identity, this study validates the principles of the DCV for retail SME internationalisation in that successful international business development requires the entrepreneur’s generation, integration, reconfiguration and release of resources (see Helfat and Peteraf, 2015; Teece, Pisano and Shuen, 1997). Brand identity may be a key differentiator during retail SME internationalisation. Yet, it is the entrepreneur who leverages the brand identity as a strategic device. Thus, it is concluded here that not simply the brand identity but entrepreneur’s efforts and actions with reference to brand identity are central to retail SME internationalisation. Retail SME internationalisation is established as led by the entrepreneur. Consequently, the study goes beyond previous research on retail SME internationalisation that often presents the entrepreneur only as a facilitating factor amongst others (see Hutchinson et al., 2007). This research is also distinct from scholarship in the retail management literature that suggests that merely ‘aspects of entrepreneurship’ are relevant in internationalisation (e.g. Doole and Lowe, 2008; Kent and Stone, 2008; Moore and Doyle, 2010).

While the entrepreneur is deemed central to retail SME internationalisation, this does not suggest that only a single entrepreneur shapes brand identity and its marketing and management during retail SME internationalisation. While other studies on retail SME
internationalisation and retail SME branding largely speak of a single person in terms of a founder or owner-manager (e.g. Hutchinson, Quinn and Alexander, 2005; Mitchell et al., 2015), this research points to an expanded view. It is found here that frequently multiple internal stakeholders, respectively multiple entrepreneurs, inform both the manifestation and leverage of brand identity, either from the beginning or over the course of time. This mirrors the arguments of Burmann, Hegner and Riley (2009), Orazi et al. (2017) and de Chernatony (1999) in the wider (retail) branding literature, who note that brand identity and its dimensions are either shaped by a single or multiple employees (group brand identity). This study therefore endorses the idea of a group identity for retail SMEs, whereas the literature up to now has found this to be the case for larger corporate retailers or family retail SMEs (see Mitchell et al., 2015; Moore and Doyle, 2010; Tarnovskaya and de Chernatony, 2011). By evidencing a group brand identity, findings of this thesis are of considerable relevance. They contribute to an advanced understanding of “the entrepreneur” and brand identity conceptualisation in retail SMEs: multiple entrepreneurs - and not alone the founder or owner-manager - may be important in retail SME branding.

This study further provides endorsement for a conceptualisation of brand identity that not only includes multiple stakeholders, but also acknowledges that the group of entrepreneurs shaping and leveraging brand identity may change over the course of time. Figure 9-1 illustrates the different scenarios of multiple stakeholder brand identities as observed with regards to the nine companies under investigation in this study. In the majority of cases under investigation, a single founder initially shaped brand identity. With respect to companies E and F, husband and wife teams jointly founded these companies and therefore jointly influenced the dimensions of the brand identity. While this study finds that initially the person(s) who founded companies A, B, C, D, E, H, and I shaped the respective brand identities, over time multiple internal entrepreneurs started to influence brand identities alongside the founder. These internal stakeholders are predominantly part of the higher management teams, and in the case of companies A and I include the founders’ husbands. Family businesses D and G develop a group identity over time as ownership and the brand are subject to an intergenerational transfer. In comparison to these earlier examples, Company C represents yet another scenario. The original founder of Company C, the personality behind the brand identity, was replaced by new owners.
Figure 9-1: Key stakeholders shaping brand identity

Scenario A:
Single internal stakeholder shaping brand identity of family firm (e.g. COMPANY G)

Scenario B:
From single internal stakeholder shaping brand identity of family firm to multiple internal stakeholders shaping brand identity (e.g. COMPANY D)

Scenario C:
From one internal stakeholder to multiple internal stakeholders shaping brand identity (e.g. COMPANY A, COMPANY B, COMPANY I)

Scenario D:
Two internal stakeholder jointly shaping brand identity (e.g. COMPANY F)

Scenario E:
From two to even more internal stakeholders jointly shaping brand identity (e.g. COMPANY E)

Scenario F:
From two internal stakeholders each shaping a brand identity to jointly shaping brand identity after merger of companies to multiple stakeholder shaping brand identity (e.g. COMPANY H)

Source: Own design, based on the evaluation of interview, documentary and archival data collected for this study.
Closely related to the finding that brand identity is constituted by a group identity among entrepreneurs, this study recognises that not all entrepreneurs shape each of the dimensions of brand identity. Instead, it is observed that single entrepreneurs within the same company shape different dimensions of brand identity. Interview data shows that the founder(s) of the companies under investigation largely define(s) the origin, value and competence dimensions of the brand identity, which morphs into an encompassing vision. Via marketing-related dynamic capabilities, the entrepreneur, who might not be the founder, re-creates and renews brand identity in international markets. Entrepreneurial networking-related dynamic capabilities enhance this process. These entrepreneurial dynamic capabilities determine the communication and behaviour dimension of brand identity in the context of retail SME internationalisation. These outcomes add further depth and complexity to the understanding of the brand identity concept during retail SME internationalisation.

Based on this study’s findings and drawing upon the work of Burmann, Hegner and Riley (2009) and de Chernatony (1999), Figure 9-2 depicts the entrepreneur as the central driver of retail SME internationalisation and its interconnectedness with brand identity. With respect to the arrow connecting entrepreneurial characteristics and brand identity, the personality of a founder determines the manifestation of brand identity in terms of its origin, values, competences and vision. As the arrow linking characteristics and capabilities shows, entrepreneurial characteristics further inform entrepreneurial decision-making and problem-solving during retail SME internationalisation, especially marketing- and networking-related dynamic capabilities. At the same time, as the arrow relating brand identity and dynamic capabilities indicates, entrepreneurial dynamic capabilities are influenced by the brand identity of a firm as it is the brand identity that is re-created and renewed via dynamic capabilities. In doing so, a specific brand promise is communicated and brand behaviour continued throughout retail SME internationalisation. As such, entrepreneurial dynamic capabilities inform the manifestation of brand identity with respect to its communication and behaviour dimension.
The validation of retail SME internationalisation as led by the entrepreneur and the understanding that entrepreneur(s) and brand identity are interconnected during retail SME internationalisation lead to the consideration of entrepreneurial characteristics and dynamic capabilities in more detail.

9.3 Entrepreneurial characteristics

In line with the research framework as developed in Chapter Four, the first research question concerns the entrepreneurial profile with respect to distinct entrepreneurial characteristics. It asks how the entrepreneur’s characteristics inform entrepreneurial decision-making and problem-solving in retail SME internationalisation. Chapter Six reveals how international experience, international entrepreneurial orientation as well as learning orientation inform entrepreneurial decision-making and problem-solving in relation to a variety of themes that are relevant for the re-creation and renewal of resources and, as such, dynamic capabilities during retail SME internationalisation. Only a few scholars in the retail management literature
already studied entrepreneurial characteristics in the context of retail SME internationalisation (e.g. Hutchinson, Quinn and Alexander, 2006 b), so that knowledge in that regard remains limited and fragmented. Further, while the international business literature has developed an initial understanding of how characteristics inform dynamic capabilities (Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007), this aspect of internationalisation decision-making and problem-solving has not yet been made explicit in the retail management literature (see section 2.4.2 in Chapter Two).

9.3.1 International experience

The current study’s observation that prior international experiences positively influence international business development is neither new to the retail management nor the international business knowledge (e.g. Johanson and Vahlne, 1977, 1990; Reuber and Fischer, 1997; Schwens and Kabst, 2009; Vida, Reardon and Fairhurst, 2000; Weerawardena et al., 2007). Yet, this study extends existing literature by providing new insights regarding the contexts international experiences are gathered in and international experiences in connection with a geocentric outlook on international business development.

This study reveals a more varied origin of relevant international experiences supporting retail SME internationalisation than has been previously identified. Much of the discussion in the retail management and international business literature emphasises industry-specific (here retail- and branding-specific) as opposed to generic or non-industry-specific professional know-how and expertise (Hutchinson, Quinn and Alexander, 2006 b; Hutchinson et al., 2007; Peiris, Akoorie and Sinha, 2012; Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007). Interestingly, results of this study suggest that also international experiences generated, for example, in the oil and gas industry, consultancies or engineering firms equip entrepreneurs with important business skills and positively influence the entrepreneurial attitude towards international markets and the ways to approach them. As such, this work proposes the relevance of both generic industrial as well as retail- and branding-specific international experiences in the context of retail SME internationalisation.

In contrast to previous studies on retail SME internationalisation (e.g. Hutchinson, Quinn and Alexander, 2006 a, b), this study does not identify a purely geocentric outlook on international business development. Instead, a combination of geocentric and ethnocentric features is demonstrated. In Chapter Six, a geocentric view is revealed as a result of international experiences and to impact entrepreneurial decision-making and problem-solving in relation to
matters of marketing standardisation and adaptation, and power structures between home and host market. In addition to such geocentric features, Chapter Seven and Chapter Eight provide evidence for instances of an ethnocentric and centralised marketing and management of brand identity. For example, studied entrepreneurs seek high levels of decision-making and authority within headquarters to ensure consistent and coherent re-creation of brand identity across international markets. As such, with respect to retail SME internationalisation, this study is the first to disclose that strategic matters of resource re-creation and renewal are not exclusively informed by geocentricity. In doing so, this study reveals a much more differentiated picture of the role of international experiences and the resulting entrepreneurial views on the interplay of home and host market than previous studies, which mainly stressed geocentric attitudes (e.g. Hutchinson, Quinn and Alexander, 2006 a, b; Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007).

9.3.2 International entrepreneurial orientation

Consistent with the international business literature (e.g. Dai et al., 2014; Jantunen et al., 2005; Kuivalainen, Sundqvist and Servais, 2007; O'Cass and Weerawardena, 2009; Sternad, Jaeger and Staubmann, 2013; Weerawardena et al., 2007), the current study recognises international entrepreneurial orientation as an antecedent to retail SME internationalisation and to inform dynamic capabilities. In doing so, the work of Christmann, Alexander and Wood (2015), who are amongst the few explicitly addressing IEO in the context of retail SME internationalisation, is further supported. This study provides qualitative insights into each component of IEO at the individual-level. It extends knowledge beyond the consensus regarding IEO, which tend to rely on an upper-echelons-logic by presenting firm-level features as individual, entrepreneur features of IEO (Covin and Miller, 2014; Hambrick and Mason, 1984).

Research findings on entrepreneurial innovativeness are a significant contribution to theory development on retail SME internationalisation. While proactivity and risk-taking are discussed and innovation at the firm-level is stressed (e.g. Hutchinson, Quinn and Alexander, 2006 a, b), notions of innovativeness as an entrepreneurial characteristic remain scarce in the retailing literature. This study underscores the relevance of entrepreneurial innovativeness through a willingness to grow beyond existing firm structures, processes and technologies during retail SME internationalisation. An important differentiation under-emphasised in previous studies of retail SME internationalisation is revealed in relation to creativity – an indicator of innovativeness (cf. Lumpkin and Dess, 1996; Lyon et al., 2000). Entrepreneurs in this study are
the driving force that encourages creativity within the firms, albeit they are not necessarily themselves creative. For example, creativity itself is mostly conducted by other key personnel within the companies such as creative directors, who are not directly involved in the international business development (exception Entrepreneur A-1). Entrepreneurs protect the creative processes of those individuals and shield off any disruption to creative processes. Entrepreneurs also install the technological processes required to realise creative directors' artistic ideas (see section 6.2.2.2 in Chapter Six). Since previous studies mainly addressed creativity in terms of a creative background of an entrepreneur and not in terms of an entrepreneurial orientation to protect creative processes of other key personnel (e.g. Hutchinson, Quinn and Alexander, 2006a), this study provides an interesting extension of knowledge with respect to how entrepreneurial innovativeness may enfold during retail SME internationalisation.

Findings on entrepreneurial innovativeness further enable a more differentiated view towards how entrepreneurs stimulate their innovativeness during retail SME internationalisation. Entrepreneurs pursue inspiration for new ideas from international travel and exchanges with business partners, embracing originality in their ideas. A few entrepreneurs further observe competition, leverage competitors' ideas and integrate these in the development of their own capabilities. While the replication of products or attributes of brands is commented upon more widely in the retail management and retail branding literature (e.g. Mitchell et al., 2015; Moore and Doyle, 2010), seeking inspiration from ideas from the competition as facets of entrepreneurial innovativeness during retail SME internationalisation remains largely overlooked. In support of this study's findings, Chandra, Styles and Wilkinson (2012: 76) refer to the concept of recombinant innovation: “[n]ew ideas do not arise from nothing but come from the combining and recombinating of existing ideas in new ways.” In line with other observations on multinational retailers and notions of hybridization (e.g. Gamble, 2010), Lowe, George and Alexy (2012) observe that Tesco imports and adapts practices from retail competitors when entering foreign markets and thus speak of enhanced imitation in international retailing. Building upon the findings reported in Chapter Six of this thesis and Chandra, Styles and Wilkinson (2012) as well as Lowe, George and Alexy (2012), this study concludes that the entrepreneurial embracing of novelty may relate to the idea of recombinant innovation or enhanced imitation. This conclusion is new to retail SME internationalisation knowledge.

With respect to proactivity and risk-taking, this study’s findings validate the initial insights from previous retail SME internationalisation studies based on UK samples (e.g. Hutchinson, Quinn
and Alexander, 2006b) for North-Western European entrepreneurs. Based on the study of entrepreneurs from Belgium, Germany and UK, this empirical research concludes more broadly that entrepreneurs of internationalising retail SMEs are proactive in constantly seeking and anticipating new market opportunities. As in previous UK-based work, entrepreneurial proactiveness and opportunism combine in the process of exploring and exploiting opportunities during the internationalisation of North-Western European retail SMEs. The findings of this study also mirror those UK-based studies that found that entrepreneurs, who embark upon a strategy of internationalisation, demonstrate a positive attitude towards risk by moving beyond tried-and-tested paths and allocating resources towards internationalisation projects characterised by high uncertainty (see Hutchinson, Quinn and Alexander, 2006a, b). Empirical evidence in relation to firms studied shows that entrepreneurs exhibit a high alertness towards risks and their mitigation prior to and during internationalisation. Thus, Hutchinson, Quinn and Alexander’s (2006b) differentiated picture of risk-taking with entrepreneurs exhibiting an “attitude of calculated risk” tends to also apply to entrepreneurs from North-Western European retail SMEs.

9.3.3 Learning orientation

Supported by Hutchinson, Quinn and Alexander’s (2009b: 528) findings, it became clear that retail SME internationalisation “is a timely learning curve” for entrepreneurs. Entrepreneurs studied here were motivated to consider the various phases of retail SME internationalisation as an opportunity to learn, which then informed subsequent expansion. This also fits in with the wider literature, which similarly sees learning orientation informing dynamic capabilities in SME internationalisation (e.g. Sternad, Jeager and Staubmann, 2013; Weerawardena et al., 2007).

What this study’s findings illustrate more extensively than other studies on retail SME internationalisation is that entrepreneurs are oriented towards different types of learning throughout the different phases of expansion. Prior to foreign market entry, entrepreneurs are oriented towards learning based on research that lays bare possible scenarios and their pitfalls. In doing so, according to interviewees, entrepreneurs seek to reduce chances of possible mistakes and to increase the probability of success. Especially with regards to initial foreign markets, entrepreneurial openness to learn based on the gaining of hands-on experience – learning based on experimentation – has further been shown. As internationalisation progresses, the entrepreneurial willingness to learn from mistakes and critical incidents – learning based on repeated practice - has been emphasised in this study. In
the wider retailing literature, the willingness to learn based on repeated practice, particularly through the notion of critical reflection, has been highlighted as an important precondition of increased retail SME performance (Ringwald and Parfitt, 2011). It is thus concluded here that entrepreneurs are not only oriented towards learning based on experimentation as evidenced in earlier studies on retail SME internationalisation, but also learning through repeated practice. While this differentiated understanding of entrepreneurial learning orientation mirrors work from the wider international business literature (e.g. Easterby-Smith and Prieto, 2008; March, 1991; Teece, 2014a), it is new to the literature concerning retail SME internationalisation. The latter stream of literature has only made limited reference to learning (e.g. Hutchinson, Quinn and Alexander, 2006 a, b).

Table 9-1 provides an overview of literature gaps leading to the formulation of Research Question 1, key findings in relation to Research Question 1 as well as critical arguments in the discussion of empirical evidence for Research Question 1.
Table 9-1: Research gaps, key findings and main arguments of their discussion related to Research Question 1

<table>
<thead>
<tr>
<th>Key research gaps</th>
<th>Research Questions</th>
<th>Key findings</th>
<th>Key points of discussion</th>
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<td><strong>Retail management literature:</strong> While international experience as a characteristic has been explored in a few studies on retail SME internationalisation, entrepreneurial learning remains underdeveloped. Notions of innovativeness as an entrepreneurial characteristic remain scarce.</td>
<td>Research Question 1: How do the entrepreneur’s characteristics inform entrepreneurial decision-making and problem-solving in retail SME internationalisation?</td>
<td>International experience, IEO and learning orientation inform entrepreneurial decision-making and problem-solving in relation to a variety of themes relevant during retail SME internationalisation, including the re-creation and renewal of resources in context of marketing- and networking-related dynamic capabilities.</td>
<td>This study extends existing literature by providing new insights into the contexts international experiences are gathered in, and international experiences in relation to a geocentric outlook on business development.</td>
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<td></td>
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<td>International experience stimulates openness to and motivation for internationalisation, professional knowledge and competence, and intercultural competence. It facilitates a geocentric outlook on international business. Yet, dynamic capabilities are also informed by ethnocentrism.</td>
<td>This study provides qualitative insights into each component of IEO at the individual-level, moving beyond upper-echelons-logic.</td>
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<td>Entrepreneurs, who are proactive and innovative and those with an attitude of calculated risk, show a positive and progressive outlook towards internationalisation.</td>
<td>Previous UK-based work on entrepreneurial proactivity and risk-taking is validated in other North-Western European entrepreneurs.</td>
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<td></td>
<td>Entrepreneurs are motivated to learn during all phases of expansion.</td>
<td>For creativity and novelty as facets of innovativeness, this study offers a more differentiated picture by evidencing that entrepreneurs protect innovative processes instead of themselves being innovative and by introducing the notion of recombinant innovation.</td>
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<td>This study confirms that entrepreneurs are willing to learning from scenario research, experimenting, repeated practice and critical reflection. The identification of these different types of learning orientation is new to retail SME internationalisation knowledge.</td>
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</tbody>
</table>

Source: Own compilation, based on the literature review, research findings and their discussion.

Helen Christmann (URN: 6150056)
9.4 Entrepreneurial dynamic capabilities as best practices idiosyncratic in their details

This study now moves to consider entrepreneurial marketing-related dynamic capabilities as explored in relation to Research Question 2 and entrepreneurial networking-related dynamic capabilities as examined in relation to Research Question 3. Before discussing in-depth specific entrepreneurial dynamic capabilities identified in these two contexts, this study turns to a discussion of empirical evidence as presented in Chapters Seven and Eight that focuses on both research questions and is underpinned by the dynamic capabilities-based view.

One of the core contributions of the present work relates to the bifurcation of the international business literature in conceptualising dynamic capabilities. The literature is divided with scholars embracing either the perspective of Teece, Pisano and Shuen (1997) or the view of Eisenhardt and Martin (2000) (see Petaraf, Stefano and Verona, 2013). Neither the Teecian nor the Eisenhardt and Martin conceptualisation of dynamic capabilities is fully endorsed by the findings of this study. Specific conceptual elements with respect to the features and the nature of dynamic capabilities are challenged. Further, this empirical research evidences that entrepreneurial dynamic capabilities during retail SME internationalisation show certain elements of both the Teecian and the Eisenhardt and Martin view. As such, a version that combines certain elements of both views is empirically endorsed, thus supporting Petaraf, Stefano and Verona’s (2013) view in that retail studies on dynamic capabilities offer the potential to overcome the bifurcation of the literature.

A core difference between the two sides conceptualising dynamic capabilities is that Eisenhart and Martin (2000) argue that dynamic capabilities can be homogenous across firms and thus reflect best practice across an industry, while the Teecian side sees dynamic capabilities as signature practices (e.g. Teece, Pisano and Shuen, 1997; Teece, 2014a, 2017). This study provides empirical substantiation for the conceptualisation of dynamic capabilities as best practices, which are idiosyncratic in details. Entrepreneurial dynamic capabilities as evidenced show common and homogenous features across studied entrepreneurs. For example, all studied entrepreneurs exhibit the marketing-related dynamic capability of providing a unique experience in stores. With respect to what they do in the context of providing a unique experience, a somewhat consistent pattern amongst entrepreneurs becomes apparent. Entrepreneurs included in this study have in common that they develop and enforce store concepts and customer services that re-create brand identity across foreign markets. Leveraging store concepts and customer service to re-create brand identity appears as a
standard entrepreneurial approach during retail SME internationalisation. Providing a unique experience therefore includes best practice approaches. Yet, providing a unique experience shows idiosyncrasy in its detail based on differences in how entrepreneurs ultimately provide a unique experience. The specific manifestation of store concept and customer service depends on the individual brand identity and its signature features, so that in-store atmosphere and experience ultimately differs considerably and is perceived to be unique. In line with Eisenhardt and Martin (2000), Peteraf, Di Stefano and Verona (2013) as well as Jantunen, Ellonen and Johansson (2012: 141), this study finds that “dynamic capabilities have both idiosyncratic and common features across an industry.” This ultimately leads to reject Teece in the point that dynamic capabilities are exclusively limited to signature practices (e.g. Al-Aali and Teece, 2014; Teece, Pisano and Shuen, 1997; Teece, 2007, 2012, 2014, 2017).

While the Eisenhardt and Martin (2000) conceptualisation of dynamic capabilities as best practices is empirically endorsed by this study, their further generalisation that “[i]n moderately dynamic markets, dynamic capabilities resemble the traditional conception of routines” is not (Eisenhardt and Martin, 2000: 1105). Respondents highlight that they perceive retail SME internationalisation per se as a non-routine and unpredictable endeavour. Single entrepreneurs are not necessarily routinized in the specific decision-making and problem-solving actions related to a dynamic capability that is best practice across the retail industry. For example, the leverage of a store concept to re-create brand identity may be common amongst studied entrepreneurs and thus interpreted as best practice. Yet, several empirical examples show that location and store architecture may require entrepreneurial case-by-case decision-making and problem-solving on, for example, how the standard store concept is best enfolded (see section 7.2.2.2 in Chapter Seven). As such, a non-routine view of dynamic capabilities is made apparent by this study, which Eisenhardt and Martin (2000) rather relate to high-velocity markets and resembles the Teecian idea of dynamic capabilities (Zahra, Sapienza and Davidsson, 2006; Teece, Pisano and Shuen, 1997; Teece, 2012). As such, first, the Eisenhardt and Martin view is not fully endorsed by findings of this study. Second, with respect to entrepreneurial dynamic capabilities, this study questions the simple ‘either-or’ approach towards the nature of dynamic capabilities and a determination of the nature solely based on market dynamics or industry structure. It is suggested to further analyse the nature of dynamic capabilities, for example by shifting the level of analysis from the industry level to the firm or personal context.

Although this study does not observe dynamic capabilities as signature processes as suggested by Teece, empirical evidence gathered in this study to some extent mirrors the Teecian
tripartite schema of sensing, seizing and transforming (see Teece, 2014a, 2017). This study demonstrates that, to begin with, entrepreneurs identify and assess international market opportunities for key resources (sensing). In order to address promising opportunities for retail SME internationalisation and to capture value from doing so, entrepreneurs then engage in the mobilisation of resources (seizing). Albeit limited in its manifestation and not exclusive to international business development, this is followed by the entrepreneur’s modification of key resources. While the slight modification of resources is evidenced, this study does not empirically validate notions of “transition” (Helfat and Peteraf, 2015) and “mutation” (Teece, 2014a) in the context of retail SME internationalisation (see section 9.5.1.3 in Chapter Nine). Instead of transforming capabilities as suggested in the international business literature, this study identifies modifying capabilities. Nevertheless, this study notes that both the entrepreneurial exploration (sensing) and exploitation (seizing and modifying) of international opportunities are relevant during retail SME internationalisation. Consequently, the role of ambidexterity - the balance between exploration and exploitation that enables the achievement of both efficiency and flexibility in international business development - is confirmed (cf. March, 1991; Prange and Verdier, 2011). Entrepreneurial sensing, seizing and modifying is largely conducted sequentially during retail SME internationalisation. Occasional interrelations of these capabilities are also revealed, fitting the understanding of Teece (e.g. Al-Aali and Teece, 2014; Teece, 2007, 2014).

With regards to theoretical underpinnings, also the retail management literature significantly benefits from the evidence provided by this study. The employment of the DCV and the cluster of entrepreneurial sensing, seizing and modifying capabilities points to a richer and more structured understanding of entrepreneurial actions. The retail management literature on SME internationalisation stresses the role of the entrepreneur and addresses the RBV and the DCV, but yet scholars only loosely refer to entrepreneurial resources, competences and capabilities or focus on the firm- and not the individual-level of retail SME internationalisation (see Hutchinson et al., 2007). This study offers insights into specific entrepreneurial dynamic capabilities and, as such, lays bare important strategic actions that build and maintain retail SME internationalisation in a more focussed and structured manner than previous studies in the area. These are discussed in-depth in the next sub-sections of this chapter.

Table 9-2 provides an overview of literature gaps leading to the formulation of both Research Question 2 and Research Question 3, key findings in relation to these questions as well as critical arguments in the discussion of empirical evidence.
Table 9–2: Overarching research gaps, key findings and main arguments of their discussion related to Research Question 2 and Research Question 3

<table>
<thead>
<tr>
<th>Key research gaps</th>
<th>Research Questions</th>
<th>Key findings</th>
<th>Key points of discussion</th>
</tr>
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<tr>
<td>Retail management literature: While the role of the entrepreneur is stressed, previous studies only loosely refer to entrepreneurial resources, competences and capabilities. Largely, the firm and not the individual actor-level is targeted. The study of entrepreneurial actions remains underdeveloped.</td>
<td>Research Question 2 and Research Question 3 focussed on entrepreneurial dynamic capabilities that build and maintain retail SME internationalisation.</td>
<td>Dynamic capabilities are homogenous across studied entrepreneurs and thus evidenced as best practices. Yet, entrepreneurial dynamic capabilities are idiosyncratic in details (≈ Eisenhardt and Martin view).</td>
<td>The retail management literature benefits from empirically evidenced entrepreneurial dynamic capabilities that build and maintain retail SME internationalisation in terms of a focussed, richer and structured understanding of entrepreneurial actions (sensing → seizing → modifying).</td>
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<tr>
<td>International business literature: The majority of contributions on dynamic capabilities are theoretical in nature and focus on larger organisations. Significant contradictions in the precise construction of dynamic capabilities exist: scholars either take the Teeceian or Eisenhardt and Martin perspective.</td>
<td></td>
<td>Specific entrepreneurial dynamic capabilities clustered into sensing, seizing and modifying capabilities are identified (≈ Teeceian view).</td>
<td>The international business literature benefits from the findings of this study with regards to the theoretical underpinnings of the DCV.</td>
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<td></td>
<td>Largely, a sequential occurrence of these types of dynamic capabilities is the case (≈ Teeceian view).</td>
<td>Neither the Teeceian nor the Eisenhardt and Martin conceptualisation of dynamic capabilities is fully endorsed.</td>
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<td>Mostly, entrepreneurs are routinized in the development and execution of dynamic capabilities. Yet, in some instances, non-routine decision-making and problem-solving was related to dynamic capabilities (neither fully the Teeceian nor the Eisenhardt and Martin view).</td>
<td>Entrepreneurial dynamic capabilities during retail SME internationalisation show certain elements of both the Teeceian and the Eisenhardt and Martin view.</td>
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<td>The development of a version that combines elements of both views is endorsed, helping to overcome the bifurcation of the literature in the precise conceptualisation of entrepreneurial dynamic capabilities.</td>
<td>The development of a version that combines elements of both views is endorsed, helping to overcome the bifurcation of the literature in the precise conceptualisation of entrepreneurial dynamic capabilities.</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on the literature review, research findings and their discussion.
Following the discussion of results that are overarching, entrepreneurial dynamic capabilities are now discussed in more detail in relation to Research Question 2 (entrepreneurial marketing-related dynamic capabilities) and Research Question 3 (entrepreneurial networking-related dynamic capabilities).

9.5 Entrepreneurial marketing-related dynamic capabilities

Research Question 2 addresses how the entrepreneur's marketing-related dynamic capabilities re-create and renew brand identity, building and maintaining retail SME internationalisation. Both macro-level and firm-related interviews conducted for this study strongly emphasise brand identity as a key resource that enables differentiation from competition in international markets. Entrepreneurial marketing-related dynamic capabilities as evidenced in this study therefore largely serve the re-creation and renewal of brand identity as a strategic device to determine niche-based differentiation. Since this study identifies specific examples of entrepreneurial marketing-related dynamic capabilities clustered into sensing, seizing and modifying, it points to a considerably richer understanding of how entrepreneurs leverage brand identity as a strategic device during retail SME internationalisation. By considering the role of the entrepreneur in relation to marketing-related dynamic capabilities, it also advances the international business literature, which previously ignored the individual-level and micro-foundations of marketing-related dynamic capabilities (cf. Barrales-Molina, Martínez-López and Gázquez-Abad, 2014; Weerawardena et al. 2007). These highly contributive examples of entrepreneurial marketing-related sensing, seizing and modifying capabilities are now discussed in detail.

9.5.1.1 Marketing-related sensing

Insights into entrepreneurial sensing capabilities as provided by this study extend knowledge on the role of the entrepreneur in retail SME internationalisation since previous studies reveal fragmented and dissimilar comprehensions regarding how international demand is sensed and market specific knowledge generated and leveraged (see section 2.4.3 in Chapter Two). For all entrepreneurs in this study, identifying unfulfilled international demands and leveraging market-specific consumer and competitor knowledge are key sensing capabilities to identify and assess international market opportunities in relation to the brand identity. In doing so, Frasquet, Dawson and Mollá's (2013) identification of knowledge acquisition as a relevant dynamic capability in retail internationalisation is confirmed for retail SMEs. Whilst Frasquet, Dawson and Mollá (2013) specify knowledge acquisition as a dynamic capability with respect
to post-entry internationalisation activities, this study reveals how entrepreneurs acquire knowledge about unfulfilled international demands as well as consumers and competitors in specific international markets when sensing international opportunities. Thus, interesting new knowledge is provided.

With respect to identifying unfulfilled international demands, the monitoring of the environment and assessment of changing customer needs represent an important sensing capability of entrepreneurs in retail SME internationalisation. This mirrors observations in the wider international business and retail management literature (e.g. Al-Aali and Teece, 2014; Jantunen, Ellonen and Jonsson, 2012; Teece, 2007; Wigley and Chiang, 2009). Entrepreneurs leverage the analysis of wholesale and online sales in order to detect unfulfilled consumer demands in international markets and, in doing so, identify target markets for retail expansion (see also Bruce, Moore and Birtwistle, 2004; Moore and Doyle, 2010). Following the identification of attractive international markets, most entrepreneurs further assess the potential by conducting benchmarking as well as cost-benefit-analysis. A few entrepreneurs further leverage pop up stores and localised online retail sites as strategic devices to more extensively test the international demand. While such methods have been noted in the wider international business and retail marketing literature (e.g. Bruni and Verona, 2009; Jackson and Sparks, 2005; Picot-Coupey, 2014, Taube and Warnaby, 2017), this study establishes such evidence in the context of retail SME internationalisation and directly related to the entrepreneur. Overall, a clearer picture develops for how entrepreneurs in a structured manner identify unfulfilled international demands during retail SME internationalisation. As such, the fragmented state of previous knowledge on how entrepreneurs sense international opportunities for brand identity is overcome.

With regards to leveraging market-specific knowledge as an entrepreneurial sensing capability, entrepreneurs participating in this study particularly focused on identifying successful business practices - ‘best in class’ and ‘best practice’ approaches - embraced by competitors within specific international markets. This type of sensing, according to respondents, serves the development of the appropriate approach to engage with consumers within an international market, increasing the success of expansion. Indeed, it is already clear from retail SME branding studies that entrepreneurs replicate best practices from other retailers in their branding strategies (e.g. Mitchell et al., 2015). It is now clear from this study that entrepreneurs also take inspiration from other retailers when seeking to find the appropriate business approach to enter a market during retail SME internationalisation. The identification of a best practice is even extended. This study finds that entrepreneurs take best
practices into consideration when sensing international opportunities for brand identity. Yet, when seizing these opportunities, signature elements, most notably brand identity features, are added to their business activities. Best practices are not simply replicated but advanced in the entrepreneurial seizing. Findings of this study thus provide a relevant contribution to both retail SME internationalisation and retail SME branding literature.

Entrepreneurial sensing capabilities as identified in this study are overall fairly common and homogeneous, which mirrors the conceptualisation of dynamic capabilities as best practices (Eisenhardt and Martin, 2000; see section 9.4 in Chapter Nine). Interestingly, while entrepreneurial sensing capabilities ultimately aim at the re-creation of brand identity in international markets, it is recognised that direct references by respondents to individual brand identities, brand identity dimensions and their signature features are rare. Findings related to entrepreneurial sensing capabilities are therefore interpreted as best practices with rather limited idiosyncrasy in their details. Entrepreneurial sensing is rather homogenous in the sample of retailers; irrespective of the particular brand identity entrepreneurs seek to sense international opportunities for. The manifestation of features of brand identity and, as such, idiosyncrasy in the details of dynamic capabilities is rather established in relation to entrepreneurial marketing-related seizing capabilities. This extends findings by Jantunen, Ellonen and Jonsson (2012), who provide one of the few empirical contributions on dynamic capabilities. They similarly note that “practices comprising sensing capabilities are likely to be similar across firms within a single industry, while practices comprising seizing and reconfiguring types of capabilities may differ more between companies” (Jantunen, Ellonen and Jonsson, 2012: 30). Findings by this study now reveal similar patterns for individual level dynamic capabilities, representing a significant contribution.

9.5.1.2 Marketing-related seizing

Findings as presented in Chapter Seven highlight the role of entrepreneurial marketing-related seizing capabilities in terms of a proactive development of an international market appeal based on the brand identity as a key resource. These insights are valuable since they underscore that the entrepreneur markets and manages brand identity during retail SME internationalisation. In doing so, existing research of retail SME internationalisation, which remains underdeveloped in its understanding of the role of the entrepreneur and brand identity transfer (see Hutchinson et al., 2007; Mitchell et al., 2915; Tarnovskaya and de Chernatony, 2011), is augmented and complemented. Frasquet, Dawson and Mollà’s (2013) emphasis to dynamically manage a brand during retail internationalisation is empirically validated for retail SMEs. This study thereby endorses Weerawardena et al.’s (2007: 301)
Theoretical idea that the purpose behind marketing-related dynamic capabilities is “to communicate the credibility of the firm and its offerings”. It even extends this idea as the communication of brand identity including aspects of credibility is traced to the entrepreneur and his/her marketing-related dynamic capabilities.

The definition of the brand identity by the entrepreneur is a widely discussed topic in retail SME branding and internationalisation (e.g. Hutchinson et al., 2007; Mitchell et al., 2015). By establishing the ensuring of collective identity consistent with brand values amongst employees as a vital entrepreneurial marketing-related seizing capability, surprisingly, this study is one of the first to provide empirical evidence concerning the management of brand identity from within the firm during the process of retail SME internationalisation. Driven by the understanding that employees function as brand builders in their engagement with consumers, studied entrepreneurs foster a collective identity consistent with brand values amongst their employees. They assemble employees within their firms that match brand identity and continuously reinforce this alignment. These findings provide new evidence in the field of retail SME internationalisation as well as retail internationalisation more widely as regards internal brand identity management fostered by the entrepreneur. Whilst these findings are new to retail (SME) internationalisation research, they find support in the broader retail management and branding literature (e.g. Bravo et al., 2015; Burt and Davies, 2010; Burmann, Zeplin and Riley, 2009; de Chernatony, 1999; McColl and Moore, 2011; Orazi et al., 2017; Vallaster and de Chernatony, 2005). Vallaster and de Chernatony’s (2006: 772) understanding of “[t]he leader as ‘energiser’ for internal brand building” and leaders “‘translating’ the brand’s promise into action” is extended to the role of entrepreneurs in retail SME internationalisation.

Findings in Chapter Seven demonstrate how marketing-related seizing targeting the customer experience is central for building and maintaining retail SME internationalisation. This research underscores the importance in providing a unique experience in store and to establish relationships with consumers, ensuring differentiation from competition, as proposed by the literature on retail SME branding (e.g. Bruce, Moore and Birtwistle, 2004; Donnell, Hutchinson and Reid, 2012; Mitchell, Hutchinson and Quinn, 2012, 2013). In particular, studied entrepreneurs create a unique experience in the store by re-creating the brand identity and its key features via tangible and intangible elements of the store and the personnel therein, thus supporting the development of an international market appeal. Interestingly, while Mitchell, Hutchinson and Quinn (2012) present elements including the management of the store environment and customer service as operational implications of the retail SME brand, this study reveals a somewhat different perspective. For respondents in this study, such elements
are understood to serve the strategic purpose of the entrepreneur to re-create the brand identity in a consistent and coherent manner as opposed to mere operational purposes.

Evidence on customer-experience-led marketing-related seizing capabilities provides interesting new insights into how entrepreneurs market and manage the brand identity during retail SME internationalisation at the principal touch point with the consumer, the store. As suggested in the retail SME branding and wider retail internationalisation literature (e.g. Mitchell et al., 2015; Kent, 2007; Tarnovskaya and de Chernatony, 2011), findings show that entrepreneurs re-create brand identity during retail SME internationalisation by developing and rolling out a store concept and visual store appearance that trades on the key features of the brand identity. An important observation from this study is that studied entrepreneurs pay particular attention to the origin and competence dimension of brand identity. Previous work on retail SME internationalisation already makes the important observation that specialisation (~ competence dimension) and country-related associations such as Britishness (~ origin dimension) are features of brand identity and integral to branding (e.g. Hutchinson et al., 2007; Hutchinson and Quinn, 2012). This study shows how exactly such competence and origin of brand identity is put into practice and who fosters this. This study finds entrepreneurs to promote the development and control of customer service standards, intensifying the effect of a distinct experience based on the brand identity. In particular, in the study reported here, entrepreneurs ensure that employees re-create the brand identity by incorporating signature elements of the brand identity in their visual appearance. They further invest time and resources in the development of certain staff behaviour. Only then employees in store re-create brand identity in a desired way and actively support the success of retail SME internationalisation. These findings represent a noteworthy contribution to retail SME internationalisation research, where not only the study of entrepreneurial marketing and management of brand identity in general but also the role of customer service remains underdeveloped. These newly established findings find support from the wider literature (Bravo et al., 2015; de Chernatony and Segal-Horn, 2003; Mitchell et al., 2015; Orazi et al., 2017).

This study’s findings make evident that entrepreneurial engagement in online marketing communications to appeal to overseas markets and to communicate the essence of brand identity is critical for sustained retail SME internationalisation. As such, this study provides a relevant extension to literature on retail SME internationalisation and retail SMEs more widely, which is limited in its understanding of multi-channel management and social media integration (see Ashworth et al., 2006; Donnell, Hutchinson and Reid, 2012). This study extends Frasquet,
Dawson and Mollá’s (2017) recent finding that online and social media channels are relevant to create brand awareness and brand integration in foreign markets to retail SMEs (see also Ashworth et al., 2006). Going beyond notions of brand exposure, brand awareness and brand integration, findings of this study show that entrepreneurs leverage social media channels to authentically re-create brand identity and, ultimately, to make customers feel they are part of the brand identity themselves. In doing so, results reported here further specify Ashworth et al.’s (2006) previously established connection between strong branding, cross-platform marketing and value-added for customers. Supported by previous work from the branding and wider retail marketing literature (e.g. Orazi et al., 2017; Wigley and Chiang, 2009), this study further finds that consistency in entrepreneurs’ re-creation of brand identity at consumer contact points such as online communication channels is relevant during retail SME internationalisation. Studied entrepreneurs foster similarity in visual appearance and content across the different online marketing communication channels. Building upon these findings, it is concluded that the entrepreneur’s engagement in online marketing communications, most notably social media, supports the building and maintaining of retail SME internationalisation due to the increase in the international appeal and a consistent and coherent transfer of the brand identity.

9.5.1.3 Marketing-related modifying
Findings in Chapter Seven reveal that entrepreneurial marketing-related capabilities that embrace renewal and adjustment of resources are apparent to a much lesser extent than sensing and seizing capabilities since consistency in the re-creation of brand identity across international markets is chiefly embraced. Data not only highlighted that entrepreneurial capabilities in this context are limited in their existence amongst studied entrepreneurs, but also limited in their extent. The entrepreneurs analysed in this study oppose significant or even radical transformations during retail SME internationalisation (see section 7.2.3 in Chapter Seven). This finding contrasts with work in the international business area. While the international business literature may be underdeveloped and fragmented in its precise understanding of entrepreneurial transforming capabilities (Teece, 2014a), notions of “transition” (Helfat and Peteraf, 2015) and “mutation” (Teece, 2014a) provide some indication on their ability to create change within an organisation. The rejection of entrepreneurial transforming capabilities in the context of retail SME internationalisation is perhaps not unexpected. A largely standardised and consistent approach towards retail brand internationalisation as well as claims that fashion brands can be global in nature are widely established in the retail management literature (e.g. Aaker, 1996; Alexander, 1995; Hutchinson et al., 2007; McCormick et al., 2014; Moore, Fernie and Burt, 2000; Wigley and
Chiang, 2009). Based on findings reported here and elsewhere, the conclusion of Frasquet, Dawson and Mollá (2013: 1516), who provide one of the rare contributions combining retail internationalisation and dynamic capabilities, that “[a]daptation is essential in international apparel retailing” is not accorded with. Overall consistency and coherence are fostered. Only occasionally, entrepreneurs exhibit entrepreneurial modifying capabilities, which promote small-scale changes and adjustments that are not exclusively related to internationalisation but business development as a whole. Hutchinson et al. (2007) similarly emphasise small-scale adaptations during retail SME internationalisation. Interestingly, Jantunen, Ellonen and Johansson (2012) in their study of dynamic capabilities in the magazine publishing industry also do not report transforming capabilities, but observe reconfiguring capabilities. Given the contradictions to the international business literature, which is mainly based on multinational enterprises and the manufacturing sector (e.g. Al-Aali and Teece, 2014), and to other retail studies, this work calls for further SME and service sectors studies to advance the understanding of how entrepreneurs embrace renewal and adjustment of resources, and to potentially establish nuances in such entrepreneurial actions across industries.

Table 9-3 provides an overview of literature gaps, key findings as well as critical arguments in the discussion of empirical evidence for Research Question 2.
### Table 9–3: Research gaps, key findings and main arguments of their discussion related to Research Question 2

<table>
<thead>
<tr>
<th>Key research gaps</th>
<th>Research Questions</th>
<th>Key findings</th>
<th>Key points of discussion</th>
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<tr>
<td><strong>Retail management literature:</strong> While it is explored how entrepreneurs determine development of brand identity (BI) as a key motivator for retail SME internationalisation, his/her marketing and management of BI during retail SME internationalisation is underdeveloped. Brand identity transfer is per se underdeveloped.</td>
<td>Research Question 2: How do the entrepreneur’s marketing-related dynamic capabilities re-create and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?</td>
<td>All entrepreneurial marketing-related dynamic capabilities concern the re-creation of BI as it enables differentiation.</td>
<td>This study combines retail SME internationalisation and dynamic capabilities.</td>
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<td>- What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating a niche-based differentiation based on brand identity in international retail markets?</td>
<td>- Entrepreneurial marketing-related sensing capabilities are identifying unfulfilled international demand and leveraging market-specific consumer and competitor knowledge.</td>
<td>Insights into entrepreneurial sensing capabilities extend knowledge on retail SME internationalisation, which was rare and fragmented. Sensing capabilities represent best practices with limited signature elements. This finding has previously been made only in relation to the firm-level.</td>
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<td></td>
<td>- How does a niche-based differentiation support a sustained retail SME internationalisation process?</td>
<td>- Ensuring of collective identity consistent with brand values amongst employees, providing a unique experience and providing access to internal brand dimensions via social media are entrepreneurial marketing-related seizing capabilities.</td>
<td>The identification of different marketing-related seizing capabilities provides called-for in-depth evidence on marketing and management of brand identity in retail SME internationalisation. Relevant touch points with the consumer – store and social media – are covered by findings presented here.</td>
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<td>- In contrast to the idea of entrepreneurial transforming, slightly modifying dimensions of BI is evidenced as a DC, which embraces renewal and adjustment of BI. This capability is limited in its extent and not exclusive to internationalisation.</td>
<td>While the establishment of limited changes to BI supports previous debates on the importance of standardisation in the retail marketing literature, it is contrary to the conceptualisation of transforming in the international business literature and the only identified study combining retail internationalisation and dynamic capabilities.</td>
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</table>

Source: Own compilation, based on the literature review, research findings and their discussion.
9.6 Entrepreneurial networking-related dynamic capabilities

The third research question concentrates on how the entrepreneur's networking-related dynamic capabilities re-create and renew a firm's resource base, building and maintaining retail SME internationalisation. Findings from this study demonstrate that entrepreneurial networking-related dynamic capabilities play a relevant role during retail SME internationalisation. In doing so, this study further substantiates the few previous notions of the high importance of personal networking during retail SME internationalisation (e.g. Christmann, Alexander and Wood, 2015). The specific examples of networking-related dynamic capabilities provide a relevant empirical contribution to retail SME internationalisation research, which previously mainly considered formal networking and did not adequately make clear the involvement of the entrepreneur (see Hutchinson, Fleck and Lloyd-Reason, 2009b).

As detailed in Chapter Eight and to be discussed in the following sections, the findings of this study reveal that networking-related dynamic capabilities are largely related to those entrepreneurial practices presented in the context of marketing-related dynamic capabilities. Entrepreneurial networking-related dynamic capabilities mainly support the re-creating and renewing of the brand identity in retail SME internationalisation. This is a valuable contribution since previous studies on retail SME internationalisation remain underdeveloped in their understanding of entrepreneurial networking, especially with regards to networking that serves the purpose of brand identity transfer (e.g. Mitchell, Hutchinson and Bishop, 2012; Tarnovskaya, Elg and Burt, 2008; Orazi et al., 2017). Whilst the establishment of a supplementing and complementing function of networks is new to the retail management literature, this conclusion finds support in the international business literature (e.g. Brouthers, Nakos and Dimitratos, 2015; Weerawardena et al., 2007). How exactly entrepreneurial networking-related dynamic capabilities support marketing-related dynamic capabilities is now discussed in detail.

9.6.1.1 Networking-related sensing

For all studied entrepreneurs (except those of Company C), the personal network supports the identification and assessment of international opportunities in relation to entrepreneurial marketing-related sensing activities. While previous work has similarly noted that networks “are important to smaller specialist retailers in terms of influencing the choice of market” (Hutchinson et al., 2007: 106), it has taken relatively little account of how specifically
networking and market choice correlate and to what extent entrepreneurs are central decision-makers in this regard. The literature is therefore extended by findings of this study since Chapter Eight has specified that entrepreneurs seek the support of their personal network for enhancing their initial understanding about the unfulfilled international demands as developed in the context of marketing-related sensing. More specifically, the entrepreneurs included in this study leverage market-specific information provided by the personal network to supplement and complement their own insights into the demand within a specific market based on, for example, an analysis of wholesale sales. Earlier studies, in comparison, focused on how formal networks help to assess and comply with the regulatory and socio-economic environments of international markets during early stages of international business development (e.g. Hutchinson et al., 2009 b, c), not the identification of unfulfilled international demands.

Following the entrepreneurial identification of potential international markets of choice, entrepreneurial networking-related sensing facilitates the generation and leverage of vital knowledge for market development and market growth (cf. Loane and Bell, 2006). Entrepreneurs leverage localised knowledge and experience from external stakeholders either local or experienced in international markets to support the identification of the appropriate approach for international business development. In doing so, entrepreneurs become aware of best practices within international markets. To the best of the author’s knowledge, while the international business literature on networking-related dynamic capabilities similarly indicates the entrepreneurial identification of best practices with the help of the network (e.g. Mort and Weerawardena, 2006), this insight is new to retail SME internationalisation research. To date, only the provisioning of financial support and business contacts are exemplifications of how international business development is supported by the network offered in the literature (e.g. Hutchinson, Quinn and Alexander, 2006 a). The entrepreneurial leverage of information on best practices, for example how a specific market is developed, provided by the network for international business development is a new observation in retail SMEs.

9.6.1.2 Networking-related seizing

Findings from Chapter Eight stress that all entrepreneurs investigated engage in networking-related seizing capabilities during internationalisation that, in turn, enhance marketing-related seizing capabilities. The retail management literature benefits from these findings. Previous studies only provided single accounts on networking related to the exploitation of international opportunities, for example how networking with agents helped to facilitate international market development (see section 2.4.3 in Chapter Two). This study provides much more
extensive and detailed insights into networking-related capabilities. A richer understanding of entrepreneurial networking during retail SME internationalisation is thus developed by findings of this study.

With the help of their personal network, studied entrepreneurs seek to ensure that their business is ready to establish international stores that re-create the brand identity. Entrepreneurs in retail SME internationalisation use their personal network to ensure firm readiness particularly with regards to the financing of retail investments as well as the sourcing and fulfilment of products. While this finding is similar to observations in the wider retail management and business literature (e.g. Dawson, 2001, 2007; Jackson and Sparks, 2005; Kaleka, 2011; Wigley and Chiang, 2009), it is new to retail SME internationalisation knowledge. Previous insights mainly concerned how entrepreneurs made retail internationalisation a financially feasible option by seeking financial support from formal stakeholders such as joint venture and franchise partners (e.g. Hutchinson et al., 2009 a). It is now known from this study that a personal network can provide relevant financial support as well. Further, supply chain and retail logistics barriers are overcome with the help of the personal network. Particularly personal relationships to suppliers located in international markets facilitate retail SME internationalisation since, for example, minimum order quantities are dismissed. Studied entrepreneurs further leverage the experience of friends within other internationalised retail brands to establish a product fulfilment system that adequately serves diverse international markets. These findings are valuable since a previous study establishes logistics as one of the key barriers to retail SME internationalisation and only mentions government support as an option to overcome these (e.g. Hutchinson et al., 2009a). It is now clear that personal networks help to ensure retail internationalisation readiness, overcoming considerable barriers in retail SME internationalisation.

In contrast to Mort and Weerawardena’s (2006) study on networking capability and international entrepreneurship, which reports that entrepreneurs outsource marketing to partners in international markets, this study provides evidence that suggests entrepreneurs keep control by steering and navigating the network in the re-creation of brand identity during retail SME internationalisation. The second type of evidenced networking-related seizing capabilities, ensuring consistency of the re-creation of brand identity by making relationships more personal, relates to this network navigation or steering. In line with their brand-orientation, studied entrepreneurs exhibit a very close and personal approach towards formal network partners such as franchise takers to ensure their intended re-creation of brand identity. They further foster a pretty close coordination and control of the marketing activities
of international partners and collaborators. In line with observations by Doherty (2007) and Pioch and Gerhardt (2014) and in contrast to Chiang and Wiley (2009), entrepreneurs are keen to provide direct and one-to-one support and assistance to local branches as opposed to coercive practices such as punishment, seeking to facilitate coherence and consistency in the transfer of brand identity. These insights not only further advance the understanding of the marketing and management of brand identity in the context of retail SME internationalisation (see section 2.4.3 in chapter Two), but also point to another relevant dynamic to consider in the context of marketing support networks as mentioned in the retail SME branding literature. Whilst Mitchell et al. (2015) mainly focus on how marketing support networks may be leveraged for retail SME branding, this study makes evident the entrepreneurial investments necessary into these networks. A two-directional exchange of investments and resources in terms of “giving and taking” becomes apparent with entrepreneurs nurturing their existing personal network.

9.6.1.3 Absence of networking-related transforming capabilities

Somewhat similar to the findings on marketing-related dynamic capabilities, this study reveals no evidence of “transformation” in the context of networking-related dynamic capabilities. This yet again emphasises the largely standardised and consistent approach towards retail brand internationalisation as previously observed by other retail management studies (e.g. Aaker, 1996; Alexander, 1995; Moore, Fernie and Burt, 2000; Wigley and Chiang, 2009). Despite the previous emphasis of standardisation, the retail SME branding literature is advanced. Mitchell, Hutchinson and Bishop (2012) called for insights into marketing support networks and how they help retail SMEs in their brand building. From findings of the present study, it is now clear that networks support retail SMEs in the sensing and seizing of opportunities for brand identity, while networks rarely influence changes in relation to branding. By evidencing such limitations of networks in relation to transforming, once more, contradictions to the international business literature with respect to transforming become apparent. For example, findings of this study contrast with Mort and Weerawardena’s (2006) observation that resource reconfiguration is part of networking-related dynamic capabilities in the internationalisation of Australian SMEs from low-tech and hi-tech industry sectors. The previously made call for the further study of differences in transforming capabilities across industries is thus further amplified.

The dismissal of entrepreneurial networking-related transforming capabilities in this particular retail context, in addition to striving for coherence and consistence in the re-creation of brand identity, might have further reasons. Another possible explanation for the absence of
networking-induced transforming relates to Orazi et al.'s (2017) recent notion that in the context of multi-stakeholder marketing communications information and feedback from external stakeholders is rarely observed in practice. Irrespective of their openness towards influence from networks, studied entrepreneurs perhaps receive limited information and feedback from external stakeholders located in international markets. External stimulation of entrepreneurial transforming capabilities may have simply not occurred with regards to participating retail SMEs. In order to corroborate such possible explanations, further studies would be needed.

To sum up, networking-related dynamic capabilities facilitate market access as well as international business development and thereby typically enhance marketing-related dynamic capabilities. This fits in with Brouthers, Nakos and Dimitratos (2015), who conclude that "marketing alliances tend to enhance existing firm-level resources/capabilities, at least for SMEs, rather than simply providing some additional missing resources/capabilities that the firm can use" (Brouthers, Nakos and Dimitratos, 2015: 1182). The value-adding nature of networking-related dynamic capabilities is evidenced in this study. It is, however, not evidenced here that networking-related dynamic capabilities themselves directly facilitate differentiation (cf. Barney, 1991; Eisenhardt and Martin, 2000; Jantunen, Ellonen and Johansson, 2012). Previous studies that note a direct effect between networking-related dynamic capabilities and superior competitiveness cannot be endorsed at this point (e.g. Hutchinson, Quinn and Alexander, 2006 a; Sternad, Jaeger and Staubmann, 2013). Research findings suggest the need for more study of networking-related capabilities and consideration of how fundamental it is in the SME context where brand identity is critical.

Table 9-4 provides an overview of literature gaps, key findings as well as critical arguments in the discussion of empirical evidence for Research Question 3.
**Table 9–4: Research gaps, key findings and main arguments of their discussion related to Research Question 3**

<table>
<thead>
<tr>
<th>Key research gaps</th>
<th>Research Questions</th>
<th>Key findings</th>
<th>Key points of discussion</th>
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| Retail management literature: Previous studies mainly concern formal networking. While initial insights note various ways of entrepreneurial networking in early phases of retail SME internationalisation, research on entrepreneurial networking during advanced stages of internationalisation remains scarce. Most notably, entrepreneurial networking in relation to marketing and management of BI remains neglected. | **Research Question 3:** How do the entrepreneur’s networking-related dynamic capabilities re-create and renew a firm’s resource base, building and maintaining retail SME internationalisation? | - Entrepreneurs keenly engage in personal networking.  
- Networking-related dynamic capabilities support marketing-related dynamic capabilities.  
- Entrepreneurial networking-related sensing capabilities include enhancing market-specific knowledge.  
- Ensuring retail internationalisation readiness, and ensuring consistency in brand identity re-creation by making relationships more personal are evidenced entrepreneurial networking-related seizing capabilities.  
- Entrepreneurial networking-related transforming capabilities are not identified in light of the favour of coherence and consistency in the re-creation of BI.  
- Insights into entrepreneurial sensing extend previous work, which did not concern the identification of unfulfilled international demands with the help of the network as this study now does.  
- The identification of different types of networking-related seizing capabilities is among first evidence for networking in advanced stages of retail SME internationalisation. Retail internationalisation readiness is addressed beyond matters of finance. Blurred boundaries between personal and formal networking with entrepreneurs engaging with formal business partners on a rather personal level is made apparent.  
- Networking-related transforming is less relevant, providing clarification to limits of marketing support networks. Contrast to international business studies identified. | - Insights into entrepreneurial sensing extend previous work, which did not concern the identification of unfulfilled international demands with the help of the network as this study now does.  
- The identification of different types of networking-related seizing capabilities is among first evidence for networking in advanced stages of retail SME internationalisation. Retail internationalisation readiness is addressed beyond matters of finance. Blurred boundaries between personal and formal networking with entrepreneurs engaging with formal business partners on a rather personal level is made apparent.  
- Networking-related transforming is less relevant, providing clarification to limits of marketing support networks. Contrast to international business studies identified. |
| International business literature: Studies on networking-related dynamic capabilities in SME internationalisation are available. However, the leverage of networks for marketing and management of BI remains underdeveloped. | - What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating assisted market access and international business development?  
- How do assisted market access and international business development support a sustained retail SME internationalisation process? | Source: Own compilation, based on the literature review, research findings and their discussion. |
9.7 Contribution of entrepreneurial dynamic capabilities to a sustained retail SME internationalisation process

The previous sections of Chapter Nine discussed evidence in relation to the main interest of this thesis, which is the in-depth exploration of entrepreneurial marketing-related and networking-related dynamic capabilities to address how the entrepreneur builds and maintains the process of retail SME internationalisation. The value-creating nature of specific dynamic capabilities has thereby been addressed. With respect to the contribution of identified dynamic capabilities, respondents interviewed for the purpose of this study further emphasise the crucial contribution of a synergetic interplay of different types of dynamic capabilities during retail SME internationalisation. By evidencing a value-creating nature of dynamic capabilities, this study provides early empirical substantiation for studies in the area of dynamic capabilities (e.g. Al-Aali and Teece, 2014; Eisenhardt and Martin, 2000; Teece, 2017), including Zahra, Sapienza and Davidsson's (2006: 930) suggestion that dynamic capabilities lead to “positive outcomes for the firm”.

This study rejected to include a performance tautology in its definition and, as such, did not define the concept of dynamic capabilities in terms of its results. It did not limit dynamic capabilities to those capabilities that inevitably lead to superior competitiveness (section 3.2.2 in Chapter Three). However, empirically substantiating theoretical suggestions by Eisenhardt and Martin (2000) as well as Zahra, Sapienza and Davidsson (2006), results confirm that dynamic capabilities have the potential for contributing to superior competitiveness in terms of a necessary condition. With particular respect to marketing-related dynamic capabilities, the majority of respondents perceived their firms to have achieved short-term competitive advantage as a result of the entrepreneurial activities. A few interviewees even presented their perception that the details of entrepreneurial marketing-related dynamic capabilities are inimitable by competitors, which would point towards sustained competitive advantage. The heightened relevance of differentiation for competitive advantage and, as such, continuous business development is widely acknowledged in the literature (e.g. Barney, 1991; Burt and Davies, 2010; Jantunen, Ellonen and Johansson, 2012). While sustained competitive advantage is rarely explicitly addressed in the retail management literature, the international business literature explicitly debates whether dynamic capabilities may promote competitive or sustained competitive advantage (e.g. Eisenhardt and Martin, 2000; Teece, 2017). By presenting company-internal perceptions of both short-term and sustained competitive advantage, this study strengthens Peteraf, Di Stefano and Verona’s (2013) idea that the study of dynamic capabilities in the retail sector potentially merges the differing views about
dynamic capabilities in the international business literature (see section 3.2.3 in Chapter Three). This study therefore calls for further retail studies on competitive advantage and dynamic capabilities, which include external and more neutral assessments of competitive advantage to corroborate this study’s initial conclusions based on company-internal perspectives.

9.8 Application of findings to the conceptual framework

9.8.1 Revised framework of retail SME internationalisation

This empirical research presents retail SME internationalisation as an entrepreneurial act and classifies the entrepreneur as the central component of internationalisation, confirming expectations captured in the original framework based on the wider international business literature. A conceptualisation of the process of retail SME internationalisation through an international entrepreneurship lens is proven valid. As such, the three key components in terms of entrepreneurial characteristics and entrepreneurial marketing- and networking-related dynamic capabilities are confirmed and remain integral to the revised framework. A few adaptations to the framework need to be undertaken based on the discussion of evidence in Chapter Nine. The following sections focus on these adaptations.

Going beyond the initial framework, this study reveals that, while the entrepreneur is central to retail SME internationalisation, the entrepreneur and brand identity are actually interconnected throughout the process of foreign market expansion. Firstly, brand identity is identified the key resource that enables differentiation during internationalisation (see also Aaker, 1991; Burt and Davies, 2010; Urde, 1999; Vlachvei et al, 2012). In accordance with the DCV (e.g. Al-Aali and Teece, 2014; Eisenhardt and Martin, 2000), entrepreneurial marketing-related dynamic capabilities therefore re-create and renew the brand identity during retail SME internationalisation. Secondly, as suggested in the wider branding literature (Burmann, Hegner and Riley, 2009; de Chernatony, 1999; Orazì et al., 2017), brand identity is determined as a construct shaped by multiple stakeholders during retail SME internationalisation. Over the course of time, however, multiple people may influence brand identity. Thus, different key actors shape different dimensions of brand identity. The revised framework acknowledges these specifications and modifications of interconnectedness of entrepreneur and brand identity as well as brand identity as a multiple-stakeholder construct.

While sensing and seizing capabilities, as suggested, have been evidenced, entrepreneurial transforming capabilities are less relevant during retail SME internationalisation. Since
coherence and consistency in the re-creation of brand identity is deemed important by interviewees, the entrepreneurs analysed in this study oppose significant or even radical transformations during retail SME internationalisation. Only small-scale modifications to brand identity are considered appropriate (see section 7.2.3 in Chapter Seven). Somewhat similar to the findings on marketing-related dynamic capabilities, this study reveals no evidence of “transformation” in the context of networking-related dynamic capabilities (see section 9.6.1.3 in Chapter Eight). Thus, in contrast to suggestions in the wider international business literature (e.g. Helfat and Peteraf, 2015; Teece, 2014a), the revised framework includes marketing-related modifying capabilities.

Entrepreneurial networking-related capabilities complement and supplement the entrepreneurial re-creation of brand identity as observed in relation to marketing-related seizing. This provides substantiation for research conclusions made in the wider international business literature (Brouthers, Nakos and Dimitratos, 2015; Johanson and Mattsson, 1988; Teece, 2017; Weerawardena et al., 2007). While networking-related dynamic capabilities add value throughout retail SME internationalisation, with respect to the definition of superior competitiveness by Barney (1991), they do not appear to have the potential to directly promote competitive advantage on their own.

Figure 9-3 presents the revised conceptual framework of the process of retail SME internationalisation with the entrepreneur in the centre of this process.
Figure 9-3: Retail SME internationalisation as an entrepreneurial act

Entrepreneurial characteristics

Entrepreneurial DCs shape, advance and protect brand identity;
Entrepreneurial DCs shape dimension of BI

ENTREPRENEURIAL CHARACTERISTICS

- International experience
- International Entrepreneurial Orientation
- Learning Orientation
→ Inform entrepreneurial decision-making and problem-solving
→ Inform dynamic capabilities

BRAND IDENTITY (BI)
- Origin
- Values
- Competences
- Vision
- Communication style
- Behaviour

BI influences manifestation of entrepreneurial DCs

ENTREPRENEURIAL MARKETING-RELATED DYNAMIC CAPABILITIES (DCs)

- Identification and assessment of international market opportunities for brand identity ≈ Sensing
  - Identifying unfulfilled international demands
  - Leveraging market-specific consumer and competitor knowledge
- Mobilisation of resources to address international market opportunities for brand identity, and to capture value from doing so ≈ Seizing
  - Ensuring a collective identity consistent with brand values amongst employees
  - Providing a unique experience
  - Providing access to internal brand dimensions via social media
- Small-scale renewal of brand identity ≈ Modifying (not transforming)
  - Slightly modifying dimensions of brand identity
→ Compose new value-creating strategy that enables differentiation

ENTREPRENEURIAL NETWORKING-RELATED DYNAMIC CAPABILITIES (DCs)

- Enhancement of marketing-related sensing with the help of the personal network
  - Enhancing market-specific knowledge
- Enhancement of marketing-related seizing with the help of the personal network
  - Ensuring retail internationalisation readiness
  - Ensuring consistency of brand identity re-creation by making relationships more personal
→ Supplement and complement marketing-related dynamic capabilities

Source: Own design, based on the evaluation of interview, documentary and archival data collected for this study.
9.9 Summary

Chapter Nine discussed this study’s findings within the context of retail management and international business literature as well as relevant retail branding and branding literature. This has enabled a refinement of the research conceptualisation developed in Chapter Four, representing retail SME internationalisation as an entrepreneurial act.

This study provides in-depth insights into the role of the entrepreneur in retail SME internationalisation. It is now clearer how entrepreneurial characteristics in terms of international experience, international entrepreneurial orientation and learning orientation inform entrepreneurial internationalisation decision-making and problem-solving. This study further identifies specific entrepreneurial marketing-related dynamic capabilities that re-create and renew brand identity and, in doing so, enable differentiation and potentially superiority to competition in international markets. As such, it provides new insights into how entrepreneurs leverage brand identity as a strategic device during retail SME internationalisation (see Mitchell et al., 2015; Tarnovskaya and deChernatony, 2011). It is further shown how entrepreneurial networking-related dynamic capabilities support those marketing-related dynamic capabilities identified. This is a valuable contribution, as previous work largely neglected networking that serves brand identity transfer (see Tarnovskaya, Elg and Burt, 2008; Orazi et al., 2017), and, unlike this study, focussed on formal networking (see Hutchinson et al., 2009 b, c).

Another core contribution relates to the bifurcation of the international business literature towards the conceptualisation of dynamic capabilities. The development of a conceptualisation combining elements of diverging views on dynamic capabilities, Eisenhardt and Martin (2000) versus Teece, Pisano and Shuen (1997), is endorsed by the findings of this retail study (see also Peteraf, Di Stefano and Verona, 2013).
10 CONCLUSION

10.1 Major findings and conclusions

The results of this study highlight the role of the entrepreneur in retail SME internationalisation. While the brand identity is still identified as a key differentiator and, as such, to be of great importance during retail SME internationalisation (cf. Hutchinson et al., 2007), it is found here that the mere access to and possession of brand identity is not sufficient. Instead, the entrepreneur’s re-creation and renewal of brand identity determines long-term success in international markets. This emphasis of entrepreneurial actions corresponds to the principles of the DCV in combination with international entrepreneurship, which stresses that entrepreneurs generate, integrate, reconfigure and release resources for strategic purposes (e.g. Eisenhardt and Martin, 2000; Ruzzier, Hisrich and Antoncic, 2007; Teece, Pisano and Shuen, 1997). In line with the wider international business literature, this study therefore derives the overarching conclusion that the entrepreneur is the central force that builds and maintains the process of retail SME internationalisation.

This study further finds that a single owner-manager rarely solely shapes brand identity, which contrasts with previous studies (e.g. Doole and Lowe, 2008). Instead, supported by the wider branding literature (e.g. de Chernatony, 1999; Orazi et al., 2017), this study explicitly addresses that, either from the beginning or over the course of time as the firm develops, a group identity can shape brand identity and determine its uniqueness and distinctiveness during retail SME internationalisation. This study further argues that brand identity and entrepreneurs are symbiotic in successful long-term retail SME internationalisation. The company-internal understanding of brand identity informs entrepreneurial dynamic capabilities. Reciprocally, entrepreneur(s) shape(s) the manifestation of brand identity with his/her/their dynamic capabilities re-creating and renewing brand identity. Drawing upon Alexander’s (1995: 472) notion that “[b]ehind every great retailer, there is a concept”, this study therefore concludes that behind every retail SME brand that is successful in international markets, there is a symbiosis of brand identity and entrepreneur(s).

Following these two overarching conclusions that emphasise the centrality of entrepreneur(s) and the symbiosis of entrepreneur(s) and brand identity during retail SME internationalisation, the following parts now turn to major findings and conclusions related to entrepreneurial characteristics and entrepreneurial dynamic capabilities.
10.1.1 Entrepreneurial characteristics informing internationalisation decision-making and problem-solving

Analysis reveals that entrepreneurial characteristics provide the starting point for internationalisation. Specifically, this research empirically underscores the importance of international experience, international entrepreneurial orientation and learning orientation more extensively than previous studies on retail SME internationalisation (cf. Hutchinson, Quinn and Alexander, 2006b). These characteristics inform entrepreneurial decision-making and problem-solving, including matters of resource re-creation and renewal and, as such, entrepreneurial dynamic capabilities. Their combination empowers the motivation, strategy and processes to expand into foreign markets and to be successful in the long term. Thus, it is concluded that international experience, international entrepreneurial orientation and learning orientation positively inform entrepreneurial decision-making and problem-solving, including matters of resource re-creation and renewal, and, as such, contribute to sustained retail SME internationalisation.

10.1.2 Entrepreneurial marketing-related dynamic capabilities to enable differentiation and potentially superiority to competition

This study identifies specific types of entrepreneurial marketing-related sensing, seizing and modifying capabilities that re-create and renew brand identity. Via these dynamic capabilities, entrepreneurs build and maintain retail SME internationalisation. In contrast to suggestions from the international business literature, coherence and consistency in the re-creation and renewal of the brand identity are established as vital. Only small-scale adjustments to brand identity are conducted, so that the core of brand identity remains constant (cf. Moore, Fernie and Burt, 2000). Entrepreneurial marketing-related dynamic capabilities as evidenced in this study compose a new value-creating strategy, which enables a niche-based differentiation from competition. They have the potential to contribute to the achievement of superior levels of competitiveness in terms of a necessary condition during retail SME internationalisation. With regards to increased competitiveness, perceptions of interviewees indicate that both short-term (~Eisenhardt and Martin view) and sustained competitive advantage (~Teecian view) may possibly be achieved (see Barney, 1991; Zahra, Sapienza and Davidsson, 2006). These findings enable the conclusion that entrepreneurs coherently and consistently re-create and renew brand identity during retail SME internationalisation via specific marketing-related sensing, seizing and modifying capabilities. These compose a new value-creating strategy, which enables differentiation and possibly even superiority to competition.
10.1.3 Entrepreneurial networking-related dynamic capabilities to support marketing-related dynamic capabilities

This study finds that entrepreneurial networking-related dynamic capabilities support the building and maintaining of retail SME internationalisation in terms of market access as well as international business development (cf. Mort and Weerwarardena, 2006). While no empirical evidence for transforming could be provided, networking-related sensing and seizing capabilities are observed in this study. Supported by Brouthers, Nakos and Dimitratos (2015) and the idea of marketing support networks (cf. Mitchell, Hutchinson and Bishop, 2012), it is found that networking-related dynamic capabilities largely serve the re-creation of brand identity, enhancing existing marketing-related capabilities. As such, networking-related dynamic capabilities do not have the potential to influence superior competitiveness in their own right. Hence, it is concluded that entrepreneurial networking-related sensing and seizing capabilities compose a new value-creating strategy during retail SME internationalisation by supporting entrepreneurial marketing-related dynamic capabilities in the re-creation of brand identity.

10.1.4 Entrepreneurial dynamic capabilities in retail SME internationalisation: conceptual conclusions

This study empirically validates elements of both the Eisenhardt and Martin and the Teecian view, differing views about the conceptualisation of dynamic capabilities. Based on the findings of the present work, this study agrees with the Eisenhardt and Martin (2000) view in that entrepreneurial dynamic capabilities compose best practices that are idiosyncratic in their detail. Dynamic capabilities are not necessarily signature in their entirety as initially suggested by Teece, Pisano and Shuen (1997). At the same time, this study empirically substantiates Teece’s idea in that dynamic capabilities can be clustered into sensing and seizing capabilities (e.g. Teece, 2007; 2012; 2014). The cluster of modifying capabilities is newly developed by this study. While this study rejects a performance tautology in its understanding of dynamic capabilities and did not measure or quantify the effect of dynamic capabilities on firm performance, dynamic capabilities may possibly have the potential for influencing both short-term (~Eisenhardt and Martin view) and sustained competitive advantage (~Teecian view) (see Peteraf, di Stefano and Verona, 2013). Thus, it is concluded here that Peteraf, di Stefano and Verona’s (2013) idea of a version that combines elements of both diverging views about the conceptualisation of dynamic capabilities is valid. This thesis provides empirical substantiation of such a “third” and “unifying” view on dynamic capabilities.
10.2 Contributions to theory

Reflecting upon the foregoing findings and their contextualisation, it becomes clear that this study provides a valuable contribution to the retail management and the international business literature.

10.2.1 Retail management literature

Whilst previous studies have noted upon the entrepreneur as a facilitator or a driver of equal importance as brand identity (e.g. Christmann, Alexander and Wood, 2015; Hutchinson and Quinn, 2012), the importance of entrepreneurs is very much amplified by this study. A key role for brand identity is still confirmed. However, this study posits the centrality of entrepreneurs and describes and conceptualises retail SME internationalisation as an entrepreneurial act driven by the owner-manager and/or key executives. Before, scholars only loosely referred to entrepreneurial resources, competences and capabilities, but focussed on the firm- and not the individual-level of retail SME internationalisation (see Hutchinson, Quinn and Alexander, 2006 b).

In light of the centrality of entrepreneurs, the in-depth exploration of entrepreneurial characteristics and dynamic capabilities represents a vital empirical and theoretical contribution. Although previous studies have addressed managerial characteristics (e.g. Hutchinson, Quinn and Alexander, 2006 b), understanding in this regard is considerably refined and extended through this research. Further, the identification of crucial marketing- and networking-related entrepreneurial dynamic capabilities as well as the specification of their interaction and ways they promote internationalisation closes a considerable research gap. Prior to this study, the entrepreneurial marketing and management of brand identity during retail SME internationalisation was largely neglected by retail management scholars (see also Tarnovskaya and de Chernatony, 2011). Investigations that concern personal networking and networking in relation to brand identity were missing as well (e.g. Mitchell et al., 2015). From this study it is now clear how entrepreneurs market and manage brand identity during retail internationalisation – independently from or with the support of the personal network.

Valuable conceptual contributions to the understanding of the interplay of entrepreneurs and brand identity as well as the manifestation of brand identity are made to the retail management, retail branding and branding literature. An improved and more differentiated picture as regards the interplay of entrepreneurs and brand identity is provided to retail SME internationalisation theory. Knowledge on the brand concept is extended by presenting brand
identity as a potential group identity, advancing both retail branding and branding literature (see also Burmann, Hegner and Riley, 2009; Orazi et al., 2017).

Methodologically, by conducting qualitative exploratory research based on in-depth interviews supplemented by archival and documentary evidence, this study supports the move into more mature stages of theory development within the retail management literature. Alexander and Doherty (2010) in their review of focus, methodology and conceptual development in international retail research pick up on this point. They explain that “insights based on primary qualitative data help research in this area to get closer to the organisations themselves and provide a greater understanding of how and why retail internationalisation actually happens” (Alexander and Doherty, 2010: 931). This study even helped to get closer to the key individuals and answered how they drive retail SME internationalisation (not only organisations). With respect to methodological contributions, this study further provides a valuable response to calls requesting data generated outside the UK. Results here are based on Belgian and German firms and respondents, as well as from Britain (see Hutchinson and Quinn, 2012). Such variation in datasets is considered to increase the robustness of research conclusions and, as such, promote the validity of theory on retail SME internationalisation (see Yin, 2009).

10.2.2 International business literature

By applying an international entrepreneurship perspective to the study of retail SME internationalisation, this work supports international entrepreneurship research in its early stages of theory development (e.g. Jones et al., 2011). To date, research on international entrepreneurship in combination with dynamic capabilities is mostly theoretical in nature and related to larger manufacturing firms (Jantunen, Ellonen and Johansson, 2012; Weerawardena et al., 2007). This study contributes specific empirically developed examples of entrepreneurial dynamic capabilities in SME internationalisation within the schema of sensing, seizing and modifying (not transforming). Even within the wider business literature and with respect to MNE internationalisation, qualitative evidence on sensing, seizing and transforming capabilities is still only emerging, as a recent case study by Riviere, Suder and Bass (2018) makes evident. Further, a focus on the micro foundations of dynamic capabilities – entrepreneurial actions – as applied by this study remains rare (Helfat and Martin, 2015). Thus, this research contributes to the conceptualisation of dynamic capabilities in relation to SME internationalisation.
This study addresses “the elephant in the room of dynamic capabilities” - the bifurcation of the literature with respect to the precise conceptualisation of dynamic capabilities - and, in doing so, provides another valuable contribution to the international business literature (Peteraf, Di Stefano and Verona, 2013). So far, two sharply separated communities construct dynamic capabilities with scholars either adopting the Teeceian or the Eisenhardt and Martin (2000) view. This study offers empirically derived findings that point to an understanding with elements from both communities. As suggested by Peteraf, Di Stefano and Verona (2013), the present research on retail SME internationalisation is therefore able to support the move towards a more unified and complete understanding of dynamic capabilities in the international business literature.

10.3 Managerial implications

In addition to their contribution to theory, the results of this study are of relevance to practice. This study details the important role of entrepreneurial characteristics and entrepreneurial actions of decision-making and problem-solving during retail SME internationalisation. This leaves no doubt about the centrality of entrepreneurs during international business development. The following sections provide several managerial recommendations in terms of reflecting on and learning from the characteristics and actions lived by the highly-successful entrepreneurs interviewed for this study.

This study proposes specific characteristics that inform the long-term exploration and exploitation of international opportunities: international experience, international entrepreneurial orientation and learning orientation. It shows how these characteristics underpin the motivation, strategies and processes of retail SME internationalisation. Reflection and learning inspired by this study’s findings might aid practitioners to better understand how their own characteristics promote or constrain international business development. For example, this study shows that international experience positively influences entrepreneurial decision-making and problem-solving during retail SME internationalisation due to increased intercultural understanding and competence. Entrepreneurs with international experience develop the required cultural sensitivity towards other cultures and their consumption habits, and are able to engage in a sensitive way of communicating and dealing with partners from other cultures. If entrepreneurs seek to internationalise their retail operations, but do not possess relevant international experience, it can be beneficial to catch up on international experience prior to intensely investing in the establishment of physical stores. Alternatively, this lack of intercultural competence can also be compensated by sourcing extensive advice from friends and family that possess a significant wealth of international experience. Otherwise, entrepreneurs risk to
mis-understand and mis-manage international markets, which ultimately endangers the success of retail SME internationalisation. Furthermore, this study's findings stress the importance of an entrepreneurial orientation towards learning, in particular learning from own mistakes. Entrepreneurs are therefore well-advised to engage in a self-critical assessment of their own mistakes and failings. Outside of this study in business life, the researcher has observed how quickly some entrepreneurs, especially those with an eccentric personality, either relativize problems or reject responsibility and blame for unsuccessful firm actions. The results of this study, however, strongly underscore that the opposite should be the case in order to be successful. Mistakes and failings should be considered as an opportunity to learn, stimulating personal development and growth. This then positively informs sustained retail SME internationalisation, as the successful cases included in this study clearly suggest.

With respect to entrepreneurial actions, this study makes inevitably clear to practitioners that entrepreneurs need to be open to and capable to foster newness and change within their organisation when seeking to internationalise. Retail SME internationalisation is unavoidably linked to a new and broader scale and scope of retailing. Thereby, entrepreneurs not only need to ensure the set up and running of new international stores, but also ensure their alignment with domestic retail operations. While fortunate coincidences or luck to some extent may stimulate international success, this study makes evident that sustained retail SME internationalisation requires significant entrepreneurial efforts related to the strategic management of the retail SME's resource base. More specifically, practitioners learn from this study that dynamic capabilities are required for the long-term success in international markets. Dynamic capabilities concern the flexible and dynamic leverage and management of firm resources, which entrepreneurs consider to be valuable, rare, imperfectly imitable and non-substitutable. Having identified or developed such unique resources, entrepreneurs need to engage in the sensing and seizing of international opportunities based on these specific resources. Over the course of business development, entrepreneurs further need to consider the modification of these resources. In doing so, entrepreneurs can ensure differentiation in international markets and further make it more complicated for competitors to replicate their strategy. This ultimately is the basis for achieving superior competitiveness in international markets. If entrepreneurs lack the vision and integration skills required for the development of such dynamic capabilities, retail SME internationalisation may be at stake in the long-term. Having emphasised the critical value of entrepreneurial dynamic capabilities to retail SME internationalisation, it is now turned to specific examples entrepreneurial dynamic capabilities in the contexts of marketing and networking. As the findings of this study show, these two contexts deserve particular attention from practitioners.
Having noted on the importance to actively and dynamically manage unique resources more generally, this study makes clear to practitioners that it is particularly the brand identity, which should be leveraged during retail SME internationalisation. Brand identity is the key asset to achieve differentiation and superior competitiveness in international markets. Entrepreneurial efforts – entrepreneurial dynamic capabilities – should thus evolve around brand identity. This research provides examples of entrepreneurial sensing, seizing and modifying capabilities to re-create and renew brand identity in an international context. For example, practitioners can learn from this study that it is important for entrepreneurs to ensure that employees, who engage with consumers in international markets, share and are enthusiastic about the values incorporated in the brand identity. Entrepreneurs thus need to lead by example and live the brand’s values in front of employees, reinforcing the continuously firm-internal understanding about key dimensions of the brand. In doing so, entrepreneurs ensure their intended re-creation of brand identity in international markets via employees. Ultimately, by engaging in such marketing-related dynamic capabilities, entrepreneurs promote differentiation and superior competitiveness. Brand identity development and management should thus be at the top of the practitioners’ agenda. Entrepreneurs can use the examples of marketing-related dynamic capabilities detailed in this study to benchmark and reflect on their own actions pertaining to brand identity marketing and management. They can consider to extent or upgrade their own practices.

The recommendation to flexibly and actively leverage and manage the brand identity as a unique resource during retail SME internationalisation requires three points to be stressed. Firstly, in successful retail SME internationalisation, a symbiosis of brand identity and entrepreneurial actions is key. The understanding of brand identity shapes entrepreneurial actions during retail SME internationalisation. Entrepreneurs focus on the re-creation of the unique dimensions of brand identity into international markets, promoting differentiation. Reciprocally, as they experience the brand during (international) business development, their understanding of the brand evolves and, as a consequence, they re-new some dimensions of the brand concept. Managerially, this requires orientation towards the brand and openness to become an integral part of a brand identity. This might be a particularly crucial learning to those entrepreneurs, who did not originally establish the brand but took it over from a founder at a certain point in time. Secondly, this study urges practitioners to become aware that entrepreneurial actions pertaining to brand identity marketing and management are rather similar within the same industry. For example, all entrepreneurs interviewed for this study consider the international store as a critical touch point between brand and consumer. They thus implement specific store concepts and designs to transfer the brand identity. Only via embracing uniqueness in the details of these store concepts and designs based on the DNA of
the specific brand identity, entrepreneurs can provide a truly exceptional and unique experience to international consumers. Thus, practitioners should remember to ensure uniqueness in the details of brand identity marketing and management. Otherwise, they might jeopardize differentiation and potential superiority over competitors during retail SME internationalisation. Thirdly, practitioners can learn from the highly successful entrepreneurs interviewed for this study that consistency and coherence in the transfer of brand identity is key for sustained success in international markets. Only slight modifications to the brand concept over the course of business development are considered beneficial. For example, adjusting the brand concept to cultural differences would risk to dilute the DNA of the brand. This may ultimately destabilise not only the internal understanding of the brand but also the image developed in the eyes of consumers. Thus, radical transformations of brand identity are not viable for the long-term establishment in international markets.

In addition to marketing, this study establishes networking as a second relevant context of entrepreneurial actions during retail SME internationalisation. It is suggested to practitioners that the network can function as a highly valuable resource that significantly supports international business development. In particular, the important role of the personal network with respect to friends, family and former business contacts is made clear to practitioners. Most notably, entrepreneurs draw on the personal network to enhance the marketing and management of brand identity. This work provides examples of entrepreneurial networking-related sensing and seizing capabilities that show practitioners how marketing-related capabilities can be supplemented and complemented without risks to the coherence and consistency of brand identity and its transfer. For example, entrepreneurs interviewed for this study leveraged the personal network to enhance their sensing of international opportunities for the brand identity. Entrepreneurs sought the advice from their personal network to improve their general understanding about a specific international market and particularly their assessment of unfulfilled demand for the particular brand identity therein. They further pursued market-specific insights from the personal network to better decide on the appropriate approach to re-create their brand identity within an international market. Considering entrepreneurial actions in relation to the network and brand identity marketing management as a whole, it is proposed to practitioners to contemplate the development and management of a networked brand identity.

Interestingly, whilst one may expect family and friends to support entrepreneurs in the internationalisation of retail operations, practitioners can learn from this study that also personal contacts in other retail SMEs are keen to show their support. Based on their internationalisation experiences, these personal contacts not only willingly shared relevant
information for the setting up and running of international stores to participating entrepreneurs. They also provided access to their firm and showed how specific processes were implemented in practice. For example, when entering several international markets and serving multiple international stores via a number of warehouses, retail logistics in terms of inventory management becomes a critical aspect of retail SME internationalisation. Some participating entrepreneurs were given technical advice by personal contacts on the functioning of different inventory management systems. One participating entrepreneur was even invited by a befriended owner of another retail SME to observe the inventory system implemented in their firm and to discuss strengths and weaknesses of their system with the logistics manager. Furthermore, personal contacts in other internationalising retail SMEs provided access to their network of business contacts in foreign markets. For example, via a personal introduction by a friend from another retail SME, one entrepreneur got access to one of the top trading houses in Asia, which usually only establishes business with larger and more well-known retail companies.

Based on these positive experiences made by the entrepreneurs interviewed here, this study thus suggests to practitioners to openly approach not only friends and family but also former personal contacts in other businesses and to seek their help and support during retail SME internationalisation. Personal contacts in other retail SMEs do not seem to hold back information in order to protect their advantage and competitiveness. On the contrary, they can be very supportive and willingly share own international experience and well-intentioned advice. Yet, as emphasised by the entrepreneurs interviewed here, it is important to understand “networking” as a two-way street and a process of mutual give and take. When seeking to draw on the personal network during retail SME internationalisation, entrepreneurs need to equally be open to invest in and to nurture these relationships.

10.4 Research limitations and avenues for future research

This study is subject to a number of methodological and conceptual limitations. These offer interesting paths for future theory development and refinement.

It is clear that qualitative research approaches like those employed in this study contribute to the generation of an in-depth understanding that aids the development and refinement of theory. Yet, it is acknowledged that this study is limited in the generalisability of its findings (see Yin, 2009). Two options to extend the generalisability of this study’s conclusions are proposed. Firstly, retail management scholars could conduct larger quantitative studies to test this study’s findings and, in doing so, generate conclusions that are generalisable for a wider population of entrepreneurs (cf. Rowley, 2012). Secondly, scholars within the international business literature might replicate the qualitative nature of this research to other SME sub-
sectors to increase generalisability beyond the retail sector. For example, a finding of this study is the lack of relevance of entrepreneurial transforming capabilities during retail SME internationalisation. Coherence and consistency in the transfer of brand identity is favoured, so that only entrepreneurial marketing-related modifying capabilities are evidenced. Jantunen, Ellonen and Johansson (2012) in their study of dynamic capabilities in the magazine publishing industry also do not report transforming capabilities, but observe reconfiguring capabilities. It would be interesting to explore if and how entrepreneurs in sectors other than retailing and publishing embrace newness and change of brand identity during SME internationalisation. Further, this study identified a supporting function of networking-related dynamic capabilities. Further studies on how entrepreneurs in other sectors draw on the help of their personal network during international business development would aid the understanding about the role of marketing support networks and whether these are a retail-specific phenomenon. Further qualitative investigations would surely serve the development of a sector-independent but SME-specific understanding of entrepreneurial dynamic capabilities of relevance during internationalisation.

The current work is further subject to conceptual limitations. The literature review has established that the entrepreneur individually, and particularly in interplay with brand identity, tends to be a valid starting point to advance retail SME internationalisation knowledge. Consequently, the entrepreneur and brand identity as internal drivers of retail SME internationalisation were targeted. Whilst this focus revealed important new insights, it goes in hand with limited attention to the external side of the brand concept – the brand image, respectively the consumer perspective. Various authors make evident that only the matching of internal and external brand conceptualisations leads to the development of brand equity (e.g. Burmann, Hegner and Riley, 2009). In order to advance knowledge, it might therefore be beneficial for future studies to include both internal and external perspectives, and to investigate the dynamics between these. The inclusion of the external perspective is not only beneficial for better understanding aspects of brand equity. It would possibly also enable a better comprehension of the potential of dynamic capabilities for influencing superior levels of competitiveness. In this study, only internal perceptions on short-term and sustained competitive advantage are available. A neutral perspective is required for a robust assessment of the contribution of dynamic capabilities to competitiveness. Competitiveness is a fundamental point in the debate on the conceptualisation of dynamic capabilities in the international business literature (Teece versus Eisenhardt and Martin; see Peteraf, di Stefano and Verona, 2013; Zahra, Sapienza and Davidsson, 2006).
Another limitation is noteworthy. While this study has identified a multitude of dynamic capabilities, it did not specify the financial resources required for these. Within the international business literature, Zahra, Sapienza and Davidsson (2006: 930) accentuate the financial costs associated with dynamic capabilities and that “managers must decide how many (and which) of these capabilities they can afford to develop”. Teece (2007) develops this point further and states that sensing is relatively inexpensive, while seizing is of much higher cost. Considering that SMEs can particularly suffer from financial resource deficiencies (Couto and Ferreira, 2017; Hollenstein, 2005; Shuman and Seeger, 1986), it would be interesting to study the relationship between financial resources and the scale and scope of dynamic capabilities. This would offer the potential to further advance theory development and refinement within the literature, but also to contribute to practice. Bravo et al. (2017: 17) only recently note that “[p]articularly after the economic shock from the global financial crisis, internal budgets and decisions about allocation of resources have to be based on facts, figures and evidences.” Practitioners would benefit from a specification of the costs related to sensing, seizing and modifying capabilities.

By overcoming the foregoing limitations and following up on the proposed research avenues, future studies would undoubtedly provide vital contributions. The understanding of SME internationalisation and the role of the entrepreneur in both the retail management and international business literature would benefit from further detailed and in-depth accounts of cases of both success and failure.
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Helen Christmann (URN: 6150056) 225


12 APPENDIX

A. Simplified research conceptualisation including key references

Source: Own design, based on mentioned references.
B. Macro-level expert interview schedule
   a. English version macro-level interview schedule

What is your general impression on the role of entrepreneurs during retail SME internationalisation?

— Could you explain whether and, if so, how the following personal characteristics of entrepreneurs are pivotal for exploiting both initial and long-term opportunities in international markets?
   o risk-taking,
   o pro-activeness
   o innovativeness

— Based on your experiences, could you please share practical insights on how entrepreneurs possess or provide unique capabilities relevant for exploring and exploiting international opportunities? Give examples.

— How pivotal do you consider entrepreneurs learning from previous international experiences when undertaking subsequent internationalisation? Give examples.

— Do you have particular success stories or critical incidents you could share on how retail SMEs were able to improve the process of internationalisation because of entrepreneurial learning?

What is your opinion on the relevance and effect of a brand identity for retail SME internationalisation? Why? (Brand identity = the internal perspective on the brand in terms of a group identity expressed by a set of commonly shared values, competences, origin, vision, communication style and behaviour)

— In what ways does a brand identity provide a basis for competitive advantage in international markets?

— How is the entrepreneur typically related to such a retail SME’s brand identity? Would you go as far as saying that a retail brand is typically a personification of its entrepreneur? Why? Why not?

— In what ways is the entrepreneur pivotal for the development and management of a retail brand identity suitable for international markets?

How critical is entrepreneurial networking for retail SME internationalisation?

In addition to the entrepreneur’s engagement in branding and networking, what other factors spring your mind as drivers of retail SME internationalisation?

Is there anything you think I’ve missed? Are there any further points you would like to highlight?
b. German version macro-level interview schedule

Was ist Ihr ganz allgemeiner Eindruck von der Rolle der Unternehmerin im Prozess der Internationalisierung mittelständischer Unternehmen im Einzelhandel?

— Könten Sie bitte erklären, ob und wenn ja wie die folgenden Persönlichkeitsmerkmale einer Unternehmerin entscheidend sind für das Ausschöpfen von Möglichkeiten in internationalen Märkten — sowohl am Anfang als auch im Verlauf der Internationalisierung:
  o Risikobereitschaft
  o Proaktivität
  o Innovationsfähigkeit

— Könten Sie — auf der Grundlage Ihrer Erfahrungen — bitte erläutern, welche spezifischen Fähigkeiten die Unternehmerin mitbringt und einsetzt, um die Möglichkeiten in internationalen Märkten zu entdecken und auszuschöpfen. Könten Sie konkrete Beispiele nennen?

— Für wie entscheidend schätzen Sie die Fähigkeit der Unternehmerin ein, von vorausgegangenen internationalen Erfahrungen zu lernen, während sie weitere Schritte der Internationalisierung unternimmt? Könten Sie konkrete Beispiele nennen?

— Haben Sie ganz konkrete Erfolgsgeschichten oder problematische Vorfälle vor Augen, wie mittelständische Unternehmen im Einzelhandel in der Lage waren, ihren Internationalisierungsprozess aufgrund von unternehmerischen Lernprozessen zu verbessern?

Wie schätzen Sie die Relevanz und den Effekt einer Markenidentität auf den Internationalisierungsprozess eines mittelständischen Unternehmens im Einzelhandel ein?
Wie kommen Sie zu dieser Einschätzung? (Markenidentität = das interne Selbstbild einer Marke im Sinne einer Gruppenidentität, welche durch gemeinsame Werte, Kompetenzen, Tradition, Vision, Kommunikationsstil und Verhalten zum Ausdruck kommt)

— Inwiefern stellt eine Markenidentität eine Grundlage für einen Wettbewerbsvorteil in internationalen Märkten dar?

— Wie ist die Unternehmerin typischerweise mit der Markenidentität eines mittelständischen Einzelhandelsunternehmens verbunden? Würden Sie soweit gehen, bei einer Markenidentität von einer Verkörperung der Unternehmerin sprechen? Wieso? Wieso nicht?

— Inwiefern ist die Unternehmerin entscheidend für die Entwicklung und das Management einer für internationale Märkte geeigneten Markenidentität eines mittelständischen Einzelhandelsunternehmens?

Wie entscheidend schätzen Sie unternehmerisches Netzwerken für die Internationalisierung eines mittelständischen Unternehmens im Einzelhandel ein?
Neben dem Engagement der Unternehmerin bei der Markenbildung und -entwicklung sowie beim Netzwerken, welche anderen Faktoren kommen Ihnen als Treiber der Internationalisierung mittelständischer Unternehmen im Einzelhandel in den Sinn?
Habe Ich Ihrer Meinung nach einen wichtigen Faktor außer Acht gelassen? Gibt es weitere Punkte, die Sie besonders hervorheben möchten?
<table>
<thead>
<tr>
<th>Macro-level respondent</th>
<th>Position</th>
<th>Date of interview</th>
<th>Type of interview</th>
<th>Length of interview (min)</th>
<th>Data output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macro-level Respondent A</td>
<td>Partner at global consultancy, head of consumer goods sector in United Kingdom.</td>
<td>28.01.2016</td>
<td>Face-to-face</td>
<td>50</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent B</td>
<td>Associate director at global consultancy, head of retail sector in United Kingdom.</td>
<td>28.02.2016</td>
<td>Face-to-face</td>
<td>22</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent C</td>
<td>Partner at global consultancy, head of consumer goods sector in Germany.</td>
<td>08.02.2016</td>
<td>Face-to-face</td>
<td>36</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent D</td>
<td>Former senior manager at global consultancy, department head at German research institution focused on consumer goods</td>
<td>10.02.2016</td>
<td>Face-to-face</td>
<td>32</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent E</td>
<td>Partner at global consultancy, head of retail and consumer goods for Europe, Middle East and Africa.</td>
<td>12.02.2016</td>
<td>Phone</td>
<td>46</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent F</td>
<td>Managing director at a German retail trade association that operates throughout Europe.</td>
<td>02.03.2016</td>
<td>Face-to-face</td>
<td>23</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent G</td>
<td>Senior manager at global consultancy, representative of family business sector in Germany.</td>
<td>04.03.2016</td>
<td>Face-to-face</td>
<td>38</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent H</td>
<td>Principal in consumer and retail practice at global consultancy.</td>
<td>16.03.2016</td>
<td>Phone</td>
<td>50</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent I</td>
<td>Head of department at a German SME association that operates throughout Europe.</td>
<td>18.03.2016</td>
<td>Phone</td>
<td>88</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Respondent J</td>
<td>Managing director at Belgian branch of European umbrella association for more than 10 national SME associations.</td>
<td>30.03.2016</td>
<td>Skype</td>
<td>85</td>
<td>Audio material, notes</td>
</tr>
</tbody>
</table>
## D. List of macro-level retail trade experts

<table>
<thead>
<tr>
<th>Macro-level respondent</th>
<th>Position</th>
<th>Date of interview</th>
<th>Type of interview</th>
<th>Length of interview (min)</th>
<th>Data output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expert on British retail sector</td>
<td>Owner / director at British advisory company</td>
<td>10.05.2016</td>
<td>Face-to-face</td>
<td>45</td>
<td>Notes</td>
</tr>
<tr>
<td>Expert on British retail sector</td>
<td>Retail analyst and journalist</td>
<td>13.05.2016</td>
<td>Skype</td>
<td>30</td>
<td>Notes</td>
</tr>
<tr>
<td>Expert on Belgian trade sector</td>
<td>Belgian ambassador, counsellor for Belgian trade and investments</td>
<td>12.02.16</td>
<td>Phone</td>
<td>10</td>
<td>Notes</td>
</tr>
<tr>
<td>Expert on Belgian trade sector</td>
<td>Analyst in the area of Belgian trade and investments</td>
<td>15.02.2016</td>
<td>Skype</td>
<td>17</td>
<td>Notes</td>
</tr>
</tbody>
</table>
### E. Profiles of participating retail SMEs

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 2000</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Entrepreneur A-1 started her career as a corset fitter in a fetish store. Following her unsuccessful search for a retailer of specific nylon stockings, she began marketing vintage-inspired products herself. What started out as selling at vintage fairs turned into a world-leading brand of vintage-inspired lingerie focused on the glamour of the 1940s and 1950s. Entrepreneur A-1 designs and manufactures products herself. She runs Company A together with her husband, Entrepreneur A-2.</td>
</tr>
<tr>
<td>Sector</td>
<td>Clothing and accessories, mainly lingerie</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>“It’s like a people buying from people thing, rather than just this machine that you get on the high street. That’s the idea, anyway.” (Entrepreneur A-2)</td>
</tr>
<tr>
<td></td>
<td>“Yeah, I do think that her [Entrepreneur A-1] influence, or her values, do go everywhere [...]” (London Store Manager A)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Entrepreneur A-1 and Entrepreneur A-2 own Company A.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>1</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>5</td>
</tr>
<tr>
<td>Reason for expansion</td>
<td>“We’d been going in the UK for nearly ten years, and [...] a good majority of the people who were into vintage fashion would already know about us. [...] Where do you look at expanding? [...] kind of as a joke we started looking at LA. For 40,000 pounds we had a shop [...] We went in there and we thought, ‘We’ll give it a go and see what happens’”. (Entrepreneur A-1)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail, wholesale</td>
</tr>
<tr>
<td>People interviewed</td>
<td>— Entrepreneur A-1</td>
</tr>
<tr>
<td></td>
<td>— Entrepreneur A-2</td>
</tr>
<tr>
<td></td>
<td>— London Store Manager A</td>
</tr>
<tr>
<td></td>
<td>— US Managing Director A</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert Company A</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

Note: Table contains slightly rounded figures to ensure anonymity of participating firms.
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 1990</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Founded by Founder and Creative Director B by conceptualising a briefcase for women. This idea converted into a vintage style signature handbag, which is today displayed at a London-based museum. Founder and Creative Director B focuses on the creative side of the business, while Entrepreneur B is responsible for the national and international development of Company B.</td>
</tr>
<tr>
<td>Sector</td>
<td>Clothing and accessories, mainly handbags</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>“I think that totally just comes from her [Owner and Creative Director B]. It's not a forced aesthetic that we think will tick boxes. The brand is very much a reflection of [Owner and Creative Director B] herself. She is a very British, very smart, very witty, very sophisticated woman.” (Commercial Director B)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Shareholder structure reveals ordinary shares held by 50 shareholders. Taken together, Creative Director B and her family own more than 20% of shares. Other shareholders include investment companies, trust funds and private persons.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>6</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>&gt;10 years</td>
</tr>
<tr>
<td>Reason for expansion</td>
<td>“I don’t think we’ll ever open significant number of stores in the UK [...] we're quite cautious from a bricks and mortar point of view and it's definitely more focused on international. In a controlled way and definitely online.” (Commercial Director B)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail (including pop-up stores), wholesale, concessions, franchise, joint venture</td>
</tr>
<tr>
<td>People interviewed</td>
<td>— Entrepreneur B</td>
</tr>
<tr>
<td></td>
<td>— Commercial Director B</td>
</tr>
<tr>
<td></td>
<td>— International Business Development Manager B</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert B-1-1</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert B-1-2</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

Note: Table contains slightly rounded figures to ensure anonymity of participating firms.
### COMPANY C

<table>
<thead>
<tr>
<th>Characteristics</th>
</tr>
</thead>
</table>
| **Country of origin**            | United Kingdom  
| **Year of foundation**           | Ca. 1980  
| **Origin / background details**  | Founder and Former Entrepreneur C founded Company C as a response to a lack of stores offering clothes to tall women. She started developing and marketing clothes for tall women constructed with respect to the specific proportionality as opposed to adding inches to.  
| **Sector**                       | Clothing and accessories (solely for tall women)  
| **Brand Identity**               | “I was nearly six foot tall [...] and always found shopping for clothes challenging. [...] I was an ardent feminist as well and so I was annoyed that just because I was tall, I was so discriminated against that I couldn’t find clothes to fit.” (Founder and Former Entrepreneur C)  
|                                  | “Elegance is another word that fits the bill, I think, because I think tall women are elegant and so I wanted them to feel elegant.” (Founder and Former Entrepreneur C)  
| **Ownership status**             | Shareholder structure shows ordinary shares held by five shareholders. Entrepreneur C-1 beside two persons whom he runs an investment company with own around 29.5%. Entrepreneur C-2 owns around 10%, while Founder and Former Entrepreneur C holds around 0.5% of shares.  
| **No. int. stores**              | 6  
| **Yrs. int. store presence**     | >4 years  
| **Reason for expansion**         | “We have customers buying from us on the internet from other countries.” (Entrepreneur C-2)  
| **Int. entry mode**              | Online and physical retail (including pop-up stores), wholesale  
| **People interviewed**           | — Entrepreneur C-1  
|                                  | — Entrepreneur C-2  
|                                  | — Founder and Former Entrepreneur C  
|                                  | — Marketing Manager C  
|                                  | — Marketing Assistant C  
|                                  | — Macro-level Expert Company C  

**Source:** Own compilation, based on evaluation of interview, documentary and archival data collected for this study.  
**Note:** Table contains slightly rounded figures to ensure anonymity of participating firms.
### Characteristics

<table>
<thead>
<tr>
<th><strong>Country of origin</strong></th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year of foundation</strong></td>
<td>Ca. 1800</td>
</tr>
<tr>
<td><strong>Origin / background details</strong></td>
<td>Company belongs to the oldest family held companies in Southern Germany. What started out as a business marketing stockings, socks, nightcaps and hats, developed into a leading manufacturers of skiing and outdoor clothing in German-speaking countries and beyond.</td>
</tr>
</tbody>
</table>

Since the 1980s, Entrepreneur D-1 runs the company in the seventh generation.

| **Sector** | Sports and leisure |
| **Brand Identity** | “[Company D] understands itself, in the best Swabian tradition, as a manufacturer.” (Homepage Entry Company D) |
| **Ownership status** | Entrepreneur D-1 owns the company. Entrepreneur D-2 does not own any shares in the firm. |
| **No. int. stores** | 4 |
| **Yrs. int. store presence** | 3 |
| **Reason for expansion** | “I am sure that Europe in the future won’t just be an economic union but also a cultural union with Europe becoming the smallest economic area. This automatically forces firms to internationalise. As a brand we are well equipped with international features, so that we are able to market beyond the German-speaking area.” (Entrepreneur D-1) |
| **Int. entry mode** | Online and physical retail, wholesale, concessions, franchise, joint venture. All retail activities are operated under a joint venture agreement with another outdoor brand. This joint venture runs own stores and licenses franchise agreements. The name of the stores is a composition of the two brand names. |

<table>
<thead>
<tr>
<th><strong>People interviewed</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>— Entrepreneur D-1</td>
</tr>
<tr>
<td>— Entrepreneur D-2</td>
</tr>
<tr>
<td>— Marketing Manager D</td>
</tr>
<tr>
<td>— Macro-level Expert Company D</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>Belgium</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 2000</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Entrepreneur E-1 and his wife, Creative Director E, created Company E by the release of a basic T-shirt collection. Their private apartment served as first showroom. The firm grew into the development and trade of colourful ready-to-wear clothing for men and women. As such, the company today is perceived as a success story unique in the area of Belgian fashion. Entrepreneur E-1 together with Entrepreneur E-2 drives national and international business development.</td>
</tr>
<tr>
<td>Sector</td>
<td>Clothing and accessories</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>“Well, there is this married couple behind it that completely devotes itself to living the brand. You can feel that. This is something very personal.” (Franchise Taker E) “[Company E]’s genuine values are: Integrity, passion is key, permanent questioning, celebrate life, learning by doing, keep it surprising” (Company documentation provided by Entrepreneur E-2)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Entrepreneur E-1 owns the company. Entrepreneur E-2 does not own any shares in the firm.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>9</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>10</td>
</tr>
<tr>
<td>Reason for expansion</td>
<td>“We are not a Belgium brand. We are an international fashion brand out of Belgium. It’s quite logical that we go abroad and our ambition to be the first brand of Belgium succeeding globally.” (Entrepreneur E-2)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail (including pop-up stores), wholesale, concessions, franchise, joint venture</td>
</tr>
<tr>
<td>People interviewed</td>
<td>— Entrepreneur E-1</td>
</tr>
<tr>
<td></td>
<td>— Entrepreneur E-2</td>
</tr>
<tr>
<td></td>
<td>— Country Manager E</td>
</tr>
<tr>
<td></td>
<td>— Franchise Taker E</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert Company E-1</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert Company E-2</td>
</tr>
</tbody>
</table>

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Note: Table contains slightly rounded figures to ensure anonymity of participating firms.
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 2000</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Creative Director F and Entrepreneur F founded Company F. During the early phases of business development, the firm mainly focussed on handbags. Entrepreneur F since its foundation drives business development, while Creative Director F is responsible for the creative side of the business. Over the course of time, Creative Director B expanded into a multitude of other areas. Retro-inspired prints are the signature style across all products.</td>
</tr>
<tr>
<td>Sector</td>
<td>Clothing and accessories, home, sports and leisure, cosmetics, kids</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>“It was her childhood. When you read her story, it’s obvious that her personal childhood really influenced this. [...] I think she is the main character behind this. I think she gives the main inspiration.” (Macro-level Company-Expert F) “We tend to celebrate the high quality design, the product, and to really address people. Because this is something different. What we do is unique. There is no other brand like this. All the big contribution that [Co-Founder and Creative Director F] has is a part of what we celebrate.” (Global Marketing Manager F)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Entrepreneur F jointly owns the company with his wife, Co-Founder and Creative Director F.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>2</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>5</td>
</tr>
<tr>
<td>Reason for expansion</td>
<td>“I think when you grow up in Ireland, you always feel you’re on the edge of Europe, so you have this great desire to travel. It could be a factor of just genetic, but I’ve always seen the brand as a global brand. I’ve never ever considered it to be a regional brand.” (Entrepreneur F)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail (including pop-up stores), wholesale, concessions, joint venture</td>
</tr>
</tbody>
</table>
| People interviewed              | — Entrepreneur F  
— Global Marketing Manager F  
— Macro-level Expert Company F |

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

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### Characteristics

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>Germany</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 1850</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Company B started as a small tannery. Over the course of time, several production sites in Europe were added. Originally, the firm solely developed and marketed fine gloves of the highest quality. Since the early 2000s, Entrepreneur G runs the company in the sixth generation. She added foulards, knitwear, bags and children's goods accessory to the product portfolio.</td>
</tr>
<tr>
<td>Sector</td>
<td>Clothing and accessories, kids</td>
</tr>
<tr>
<td><strong>Brand Identity</strong></td>
<td>“It is truly the combination of this quality promise this brand is holding up including the aspect of it being a family business and this innovative spirit that is there. This is something coming from [Entrepreneur G], her wanting to be innovative and aspiring to have the newest designs.” (Macro-level Expert Company G-1-1)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Entrepreneur G owns the company.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>7</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>&gt;5</td>
</tr>
<tr>
<td><strong>Reason for expansion</strong></td>
<td>“I do think that our whole world has come to a point of time of globalisation with dissolving borders, so that, I think, it makes sense to look for new markets.” (Entrepreneur G)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail, wholesale</td>
</tr>
<tr>
<td>People interviewed</td>
<td>— Entrepreneur G</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert Company G-1</td>
</tr>
<tr>
<td></td>
<td>— Macro-level Expert Company G-2</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

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<table>
<thead>
<tr>
<th>Characteristics</th>
<th>COMPANY H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>Belgium</td>
</tr>
<tr>
<td>Year of foundation</td>
<td>Ca. 1990</td>
</tr>
<tr>
<td>Origin / background details</td>
<td>Company H started as a single location. Within a few years, the firm had been acquired by a Benelux wholesale company, which already owned a famous music store in the Netherlands. The Netherlands-based music store was merged into Company H and the founder of Company H remained autonomous CEO of all music stores. Today, Entrepreneur H together with two other partners including the original founder of Company H runs Company H.</td>
</tr>
<tr>
<td>Sector</td>
<td>Music, mainly instruments as well as DJ and stage equipment</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>“We build trust, and I think that is what [Company H] is about. It’s for musicians, by musicians. All of the guys in the stores, they play themselves. They love music, they love their instruments. That’s what makes [Company H] unique.” (Global Marketing Manager H)</td>
</tr>
<tr>
<td>Ownership status</td>
<td>Entrepreneur H is one of three majority shareholders since his takeover of the shares of Global Marketing Manager H. Global Marketing Manager H was owner of the Netherlands-based music store that was merged with Company H.</td>
</tr>
<tr>
<td>No. int. stores</td>
<td>4</td>
</tr>
<tr>
<td>Yrs. int. store presence</td>
<td>&gt;20 years</td>
</tr>
<tr>
<td>Reason for expansion</td>
<td>“Looking at the Benelux, we have covered, I think, seventy-five percent of both Belgium and the Netherlands. We are not present in the northern part and the eastern part of Holland yet, and we are also not present in the eastern part of Belgium, so we still have some white spots. [...] We have a kind of buy and build strategy for the Netherlands and Belgium, and at the moment, let’s say since a week or two, or three, we also have decided to go into the northern part of France.” (Entrepreneur H)</td>
</tr>
<tr>
<td>Int. entry mode</td>
<td>Online and physical retail (including pop-up stores)</td>
</tr>
<tr>
<td>People interviewed</td>
<td>— Entrepreneur H</td>
</tr>
<tr>
<td></td>
<td>— Global Marketing Manager H</td>
</tr>
</tbody>
</table>

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

Note: Table contains slightly rounded figures to ensure anonymity of participating firms.
## Characteristics

<table>
<thead>
<tr>
<th></th>
<th>COMPANY I</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country of origin</strong></td>
<td>United Kingdom</td>
</tr>
<tr>
<td><strong>Year of foundation</strong></td>
<td>Ca. 1990</td>
</tr>
<tr>
<td><strong>Origin / background details</strong></td>
<td>Company I was founded by Founder and Creative Director I and today is one of the few firms that holds a London Fashion Week show. Luxury, craftsmanship, materials, innovative techniques and customisation are in the focus of Company I. During past years, shoes and clothes for men and women were added to the product portfolio, which originally contained bags for women.</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>Clothing and accessories</td>
</tr>
<tr>
<td><strong>Brand Identity</strong></td>
<td>“Quirky with a bit of humour is one. Quality and the way it’s built is the thing. Bespoke and personalisation is the third. Those are the principle legs that we stand on that we think differentiate us from other people.” (Entrepreneur I-1)</td>
</tr>
<tr>
<td><strong>Ownership status</strong></td>
<td>Shareholder structure reveals ordinary shares held by 13 shareholders. Founder and Creative Director I and her husband, Entrepreneur I-1, own 25% of shares. An investment firm owns 24.7% and Entrepreneur I-2 3% of shares.</td>
</tr>
<tr>
<td><strong>No. int. stores</strong></td>
<td>&gt;20</td>
</tr>
<tr>
<td><strong>Yrs. int. store presence</strong></td>
<td>&gt;20 years.</td>
</tr>
<tr>
<td><strong>Reason for expansion</strong></td>
<td>“I’ve worked internationally quite a lot. I worked for the oil industry at one point. I worked in Paris for a number of years, all of that sort of thing. There’s openness to looking overseas. There’s also the other fact that we are positioning as such and we consider ourselves a luxury brand. The available market in the UK is small really. […] The available pool is too small if you just look in the UK. You’ve got to look internationally.” (Entrepreneur I-1)</td>
</tr>
<tr>
<td><strong>Int. entry mode</strong></td>
<td>Online and physical retail (including pop-up stores), wholesale, concessions, franchise, joint venture</td>
</tr>
</tbody>
</table>
| **People interviewed**    | — Entrepreneur I-1  
— Entrepreneur I-2  
— Marketing Director I  
— Macro-level Expert Company I-1  
— Macro-level Expert Company I-2 |

Source: Own compilation, based on evaluation of interview, documentary and archival data collected for this study.

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F. Macro-level company expert interview schedule
   a. English version macro-level company expert interview schedule

How would you describe the international business development of company A?

— How was the initial decision to internationalise approached? What was the motivation behind initiating and expanding international retail operations?
— Did you recognise a certain pattern or strategy as internationalisation proceeded?
— Where is the company now? Is it well established in international markets?

What is your impression on company A’s overall performance in international markets?

— How did you perceive company A in relation to competition? Was Company A ahead of competition?
— Were there markets that were more successful than others? Can you share your insights on why this was the case?
— Has Company A achieved the same success in international markets as in its home market?

Could you share with me critical incidents or particularly challenging situations during the internationalisation of Company A? How were these dealt with?

— Could you describe situations where you saw international business development have an unsure footing or even fail completely?
— What led to such situations? Who was responsible for those moments of strategic failure?
— How were such situations tackled? How did these lead to a new internationalisation strategy or aspects of it?

Have there been particularly successful endeavours during the internationalisation of Company A? How were these achieved?

— Were there situations where you thought ‘this is a success story’ of international business development?
— What led to such situations? Who was responsible for those moments of strategic success?
— How have advantages derived from these situations? Have there been attempts to transfer success factors into other international markets?

What is your impression on the role of the entrepreneur during international business development of Company A?

— How important is the entrepreneur of Company A for the initiation and sustaining of internationalisation? Who else is or was strategically responsible for its internationalisation?
— Does the entrepreneur of Company A possess or provide unique characteristics or capabilities relevant for exploring and exploiting international opportunities?
Can you identify instances of the entrepreneur reflecting on, and learning from, previous international experiences?

How pivotal is the entrepreneur to the internationalisation of Company A? Please give examples.

What is the relevance and effect of Company A’s brand identity for internationalisation and why do you think that is the case? (Brand identity = the internal perspective on the brand in terms of a group identity expressed by a set of commonly shared values, competences, origin, vision, communication style and behaviour?)

Do you consider this particular brand identity provides a basis for setting Company A not only apart but maybe even ahead of competition in international markets? How? Why?

How is/was the entrepreneur related to this brand identity?

In what ways was the entrepreneur pivotal for the development and management of Company A’s retail brand identity, and its suitability for international markets?

Would you go as far as saying that Company A’s retail brand is a personification of its entrepreneur? Is this brand identity what set Company A apart from competition in international markets?

How critical is entrepreneurial networking for Company A’s internationalisation?

In addition to the entrepreneur’s engagement in branding and networking, what other factors spring your mind when you think of drivers of Company A’s internationalisation?

Is there anything you think I’ve missed? Are there any further points you would like to highlight?

b. German version macro-level company expert interview schedule

Wie würden Sie die international Geschäftsentwicklung von Firma A beschreiben?

Wie wurde die ursprüngliche Entscheidung für eine Internationalisierung angegangen? Was war die Motivation hinter der Initialisierung und dem Ausbau der internationalen Einzelhandelsaktivitäten?

Haben Sie ein gewisses Muster oder eine Strategie erkennen können, als die Internationalisierung immer weiter voranschritt?

Wo befindet sich die Firma heutzutage? Würden Sie sagen, dass diese in internationalen Märkten ein gut etabliertes Unternehmen ist?
Was ist Ihr Eindruck in Bezug auf die allgemeine Performance von Firma A in internationalen Märkten?

— Wie nehmen Sie Firma A im Vergleich zum Wettbewerb wahr? War oder ist Firma A der Konkurrenz voraus?
— Gab es Märkte, die erfolgreicher waren als andere? Haben Sie Einblicke, warum das der Fall war?
— Hat Firma A gleichwertigen Erfolg erreichen können wie im Heimatmarkt?

Können Sie mich teilhaben lassen an kritischen Ereignissen oder besonders herausfordernden Situationen während der Internationalisierung von Firma A? Wie wurde mit diesen umgegangen?

— Können Sie Situationen beschreiben, in denen Sie wahrnahmen, dass die internationale Unternehmensentwicklung auf unsicheren Beinen steht oder gar komplett zu scheitern drohte?
— Was löste diese Situationen aus? Wer war verantwortlich für solche Momente des strategischen Versagens?
— Wie wurden diese Situationen dann gemeistert? Inwiefern führten diese Situationen und Lösungen zu einer neuen Internationalisierungsstrategie oder zumindest neuen Aspekten dieser Strategie?

Gab es besonders erfolgreiche Ereignisse während der Internationalisierung von Firma A? Wie wurden diese erreicht?

— Gab es Situationen, in denen Sie dachten, das ist eine absolute Erfolgsgeschichte im Kontext der internationalen Geschäftsentwicklung?
— Was löste diese Situationen aus? Wer war verantwortlich für solche Momente des strategischen Erfolges?
— Wie wurden Vorteile aus diesen Situationen gewonnen? Gab es Ansätze, Erfolgsfaktoren in andere internationale Märkte zu übertragen?

Was ist Ihr Eindruck von der Rolle des Unternehmers während der internationalen Geschäftsentwicklung von Firma A?

— Wie wichtig ist die Unternehmerin von Firma A für die Initiierung und die dauerhafte Etablierung der Internationalisierung? Wer war oder ist sonst noch strategisch verantwortlich?
— Bitte erläutern Sie, ob und wie die Unternehmerin von Firma A spezifische Fähigkeiten mitbringt und einsetzt, um die Möglichkeiten in internationalen Märkten zu entdecken und auszuschöpfen?
— Gab es Fälle, in denen die Unternehmerin gesammelte internationale Erfahrungen reflektierte und davon auch lernte?
— Wie zentral ist die Unternehmerin für die Internationalisierung von Firma A? Können Sie Beispiele nennen?
Was ist die Relevanz und der Effekt der Markenidentität von Firma A für die Internationalisierung und warum denken Sie ist dies der Fall? (Markenidentität = das interne Selbstbild einer Marke im Sinne einer Gruppenidentität, welche durch gemeinsame Werte, Kompetenzen, Tradition, Vision, Kommunikationsstil und Verhalten zum Ausdruck kommt)

— Schätzen Sie diese Markenidentität als Basis für Unterscheidung von Firma A im Wettbewerb oder gar deren Wettbewerbsvorteil gegenüber anderen Marktteilnehmern in internationalen Märkten ein? Falls ja, wie geht das vonstatten? Weshalb glauben Sie, ist das der Fall?

Inwiefern ist bzw. war die Unternehmerin verbunden mit dieser Markenidentität?

— Wie genau ist die Unternehmerin zentral für die Entwicklung und das Management der Markenidentität von Firma A und deren Tauglichkeit in internationalen Märkten?

— Würden Sie soweit gehen, bei dieser Markenidentität von einer Verkörperung der Unternehmerin zu sprechen? Ist es die Markenidentität, welche Firma A in internationalen Märkten von anderen Wettbewerbern abhebt?

Wie entscheidend ist unternehmerisches Netzwerken für die Internationalisierung von Firma A?

— Neben dem Engagement der Unternehmerin bei der Markenbildung und -entwicklung sowie beim Netzwerken, welche anderen Faktoren kommen Ihnen als Treiber der Internationalisierung mittelständischer Unternehmen im Einzelhandel in den Sinn?

Habe ich Ihrer Meinung nach einen wichtigen Faktor außer Acht gelassen? Gibt es weitere Punkte, die Sie besonders hervorheben möchten?
### G. Entrepreneur interview schedule

#### a. English version entrepreneur interview schedule

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Aims and objectives</th>
<th>Interview questions</th>
<th>Interview probing questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>− What is your role within the company and in what ways are you involved in the retail internationalisation process?</td>
<td>− Identify entrepreneurial key characteristics and experiences relevant for considering internationalisation as a valuable strategic option</td>
<td>− Were your own experiences in international brands or markets relevant for you in pursuing an international strategy?</td>
<td>− Have personal or business-related international experiences influenced your attitude and behaviour with regard to internationalisation? How? Give examples.</td>
</tr>
<tr>
<td>− What was the reason or motivation to explore and then exploit opportunities in international markets?</td>
<td>− Establish entrepreneurial key characteristics that enable the development and embracing of dynamic capabilities, driving a sustainable internationalisation process</td>
<td>− Could you explain whether and, if so, how the following personal characteristics have been pivotal for exploiting both initial and long-term opportunities in international markets? ▪ risk-taking, ▪ pro-activeness ▪ innovativeness</td>
<td>− Did your personal views/attitude towards international markets affect either initial market entry and subsequent sustainable internationalisation? How? Give examples.</td>
</tr>
<tr>
<td>RQ1: How do the entrepreneur’s characteristics support entrepreneurial decision-making and problem-solving in retail SME internationalisation?</td>
<td>− Could you explain whether and, if so, how learning from experiences in previous markets influenced the business development in subsequent markets?</td>
<td>− Did you rely on ‘lessons learned’ when pursuing opportunities in int. markets?</td>
<td>− How committed were you to learn from experiences in previous markets or brands when internationalising your company? Give examples.</td>
</tr>
<tr>
<td>Research questions</td>
<td>Aims and objectives</td>
<td>Interview questions</td>
<td>Interview probing questions</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>RQ2: How do the entrepreneur’s marketing-related dynamic capabilities recreate and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?</td>
<td>- Understand how the entrepreneur explores and exploits opportunities in international markets in the context of the brand identity</td>
<td>- How did you identify opportunities for your brand identity overseas and how was this realised? (Sensing &amp; Seizing) (Brand identity = the internal perspective on the brand in terms of a group identity expressed by a set of commonly shared values, competences, origin, vision, communication style and behaviour.</td>
<td>- Could you elaborate upon how you became aware of particular opportunities for your brand identity in international markets? (Sensing)</td>
</tr>
<tr>
<td></td>
<td>- Determine how entrepreneurial dynamic capabilities enable marketing differentiation and a specialised niche offer and sustainable competitive advantage in international markets</td>
<td>- Have you sought to adapt your brand for international markets – if so, how? (Transforming)</td>
<td>- How have you actively managed your brand identity across countries? (Seizing &amp; transforming)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Did the identification of these opportunities, and putting them into practice, lead to a sustained competitive advantage? How?</td>
<td>- Did you fully exploit the opportunities of the brand identity? How? (Seizing)</td>
</tr>
<tr>
<td></td>
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| RQ3: How do the entrepreneur’s networking-related dynamic capabilities recreate and renew a firm’s resource base, building and maintaining retail SME internationalisation? | - Understand how the entrepreneur explores and exploits opportunities through the use of personal and professional networks in international markets.  
- Determine how entrepreneurial dynamic capabilities in the context of networking supports market access and collaborative business and management operations, constituting an approach towards a sustainable competitive advantage in international markets | - Have your personal networks helped you to identify opportunities for your company in international markets? (Sensing)  
- Have personal contacts been important to you in accessing international markets and pursuing opportunities? In what ways did they assist you? (Seizing and Transforming)  
- Did the identification and use of these networks lead to sustained competitive advantage? How? | - Have personal contacts helped you to discover opportunities in international markets? How? Give examples. (Sensing)  
- Did personal networks support or actively engage in the establishment and management of your retail business in international markets? (Seizing & transforming)  
- Were there critical incidents where personal contacts provided the solution to a particularly challenging situation? (Seizing & transforming)  
- Did personal contacts help you and your company to adjust to particular differences in international markets? How? Give examples. (Transforming)  
- Did your personal networks, and your management of these, hinder or facilitate international retail expansion?  
- In what ways did your personal networks, and your management of these, support market access and international business development superior to that of the competition? |
| - What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating assisted market access and international business development?  
- How do assisted market access and international business development support a sustained retail SME internationalisation process? | - Is there anything else I should have asked or a point that you would like to highlight? | - | - |

Helen Christmann (URN: 6150056)
### Research questions

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<td>− Identify entrepreneurial key characteristics and experiences relevant for considering internationalisation as a valuable strategic option</td>
<td>− Waren Ihre eigenen Erfahrungen, die Sie ggf. in anderen internationalen Marken oder Märkten gesammelt haben, relevant für die Verfolgung einer internationalen Strategie?</td>
<td>− Haben persönliche oder geschäftliche internationale Erfahrungen Ihre Einstellung oder Verhalten in Bezug auf die Internationalisierung beeinflusst? Inwiefern? Können Sie Beispiele nennen?</td>
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<td>− Was war der Grund oder die Motivation Chancen in internationalen Märkten zu erkunden und dann auszuschöpfen?</td>
<td>− Establish entrepreneurial key characteristics that enable the development and embracing of dynamic capabilities, driving a sustainable internationalisation process</td>
<td>− Können Sie bitte erläutern, ob und ggf. wie die folgenden Charakteristika entscheidend für das Ausschöpfen erster und langfristiger Möglichkeiten in internationalen Märkten waren? ▪ Risiko-Toleranz ▪ Proaktivität ▪ Innovationsfähigkeit und -bereitschaft</td>
<td>− Hat Ihre persönliche Perspektive auf bzw. Ihre Einstellung zu internationalen Märkten den anfänglichen Markteintritt oder nachfolgende Schritte einer langfristigen Internationalisierung beeinflusst? Inwiefern? Können Sie Beispiele nennen?</td>
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<td>− RQ1: How do the entrepreneur’s characteristics support entrepreneurial decision-making and problem-solving in retail SME internationalisation?</td>
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<td>− Können Sie bitte erklären ob und ggf. wie unternehmerisches Lernen in vorangegangenen Märkten die Unternehmensentwicklung in darauff. Märkten beeinflusst hat?</td>
<td>− Haben Sie auf ‘lessons learned’ gesetzt, als Sie Möglichkeiten in int. Märkten verfolgt haben?</td>
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<td>− How do the entrepreneur’s international experience, international orientation as well as learning orientation underpin entrepreneurial dynamic capabilities?</td>
<td>− Identify entrepreneurial key characteristics and experiences relevant for considering internationalisation as a valuable strategic option</td>
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<td>− Während der Internationalisierung, inwiefern haben Sie sich selbst dazu verpflichtet, aus Erfahrungen in vorangegangenen Märkten oder Marken zu lernen?</td>
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<td>Understand how the entrepreneur explores and exploits opportunities in international markets in the context of the brand identity</td>
<td>Wie haben Sie Auslandsmöglichkeiten für Ihre Marke identifiziert und wie wurden diese ausgeschöpft? (Sensing &amp; Seizing) (Markenidentität = das interne Selbstbild einer Marke im Sinne einer Gruppenidentität, welche durch gemeinsame Werte, Kompetenzen, Tradition, Vision, Kommunikationsstil und Verhalten zum Ausdruck kommt)</td>
<td>Können Sie bitte näher ausführen, wie Sie sich bestimmte Möglichkeit-keiten für Ihre Markenidentität in internationalen Märkten bewusst wurden? (Sensing)</td>
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<td>Determine how entrepreneurial dynamic capabilities enable marketing differentiation and a specialised niche offer and sustainable competitive advantage in international markets</td>
<td>Haben Sie versucht, Ihre Marke internationalen Märkten anzupassen? Falls ja, wie genau? (Transforming)</td>
<td>Wie haben Sie aktiv Ihre Marken-identität über Ländergrenzen hinweg gemanagt? (Seizing &amp; transforming)</td>
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<td>Hat die Identifikation dieser Auslandsmöglichkeiten und deren Verwirklichung zu einem nachhaltigen Wettbewerbsvorteil geführt? Inwiefern? Wie genau?</td>
<td>Haben Sie die Auslandsmöglichkeiten voll ausschöpfen können? Wenn ja, wie genau? (Seizing)</td>
</tr>
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<td>Mussten Sie einzelne Elemente der Markenidentität verändern, um deren Relevanz in Bezug auf die Nachfrage in internationalen Märkten sicherzustellen? Bitte nennen Sie Beispiele. (Transforming)</td>
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<td>Wie hat Ihre Einzelhandelsmarke und deren Management die Internationalisierung im Einzelhandel behindert oder erleichtert?</td>
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<td>Inwiefern haben Ihre Markenidentität und Ihr diesbezügliches Management zu einer Nischen-positionierung im Markt geführt, die besser war als die der Wettbewerber?</td>
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<td>- Understand how the entrepreneur explores and exploits opportunities through the use of personal and professional networks in international markets.</td>
<td>- Haben Ihre persönlichen Netzwerke bei der Identifizierung von Möglichkeiten für Ihre Firma im Ausland geholfen? (Sensing)</td>
<td>- Haben pers. Kontakte Ihnen geholfen, Möglichkeiten in int. Märkten zu entdecken? Wie genau? Gibt es Beispiele? (Sensing)</td>
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<td>- Determine how entrepreneurial dynamic capabilities in the context of networking supports market access and collaborative business and management operations, constituting an approach towards a sustainable competitive advantage in international markets</td>
<td>- Waren persönliche Kontakte wichtig, um Zugang zu internationalen Märkten zu bekommen und um Möglichkeiten darin zu verwirklichen? Wie genau haben diese Ihnen helfen können? (Seizing and Transforming)</td>
<td>- Haben Ihre pers. Netzwerke die Schaffung oder auch das Management Ihres int. Einzel-handelsgeschäfts gefördert oder sich gar beteiligt? (Seizing &amp; transforming)</td>
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<td>- How do assisted market access and international business development support a sustained retail SME internationalisation process?</td>
<td>- Haben die Identifizierung und die Nutzung dieser Netzwerke zu einem nachhaltigen Wettbewerbsvorteil geführt? Falls ja, wie?</td>
<td>- Gab es kritische Vorkommnisse, bei denen pers. Kontakte die Lösung bereithielten in einer besonders herausfordernden Situation? (Seizing &amp; Transforming)</td>
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<td>- Haben Ihr pers. Netzwerk und Ihr diesbez. Management die Internationalisierung im Einzelhandel behindert oder erleichtert?</td>
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<td>- Habe ich Ihrer Meinung nach einen Faktor außer Acht gelassen? Gibt es einen Punkt, den Sie besonders hervorheben möchten?</td>
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</table>
H. 'Non-entrepreneur' interview schedule

a. English version 'non-entrepreneur' interview schedule

<table>
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<tr>
<td>− What is your role within the company and how do you observe the role of the entrepreneur in the retail internationalisation process?</td>
<td>− Identify entrepreneurial key characteristics and experiences relevant for considering internationalisation as a valuable strategic option</td>
<td>− Were the entrepreneur’s experiences in international brands or markets relevant for him pursuing an international strategy?</td>
<td>− Have the entrepreneur’s personal or business-related international experiences influenced his attitude and behaviour with regard to internationalisation? How? Give examples.</td>
</tr>
<tr>
<td>− What was the reason or motivation for the entrepreneur to explore and then exploit opportunities in international markets?</td>
<td>− Establish entrepreneurial key characteristics that enable the development and embracing of dynamic capabilities, driving a sustainable internationalisation process</td>
<td>− Could you explain whether and, if so, how the following personal characteristics have been pivotal for him/her exploiting both initial and long-term opportunities in international markets?</td>
<td>− Did the entrepreneur’s personal views/attitude towards int. markets affect either initial market entry or subsequent sustainable internationalisation? How?</td>
</tr>
<tr>
<td>− How do the entrepreneur’s international experience, international orientation as well as learning orientation underpin entrepreneurial dynamic capabilities?</td>
<td>− Were the entrepreneur’s experiences in international brands or markets relevant for him pursuing an international strategy?</td>
<td>▪ risk-taking, ▪ pro-activeness ▪ innovativeness</td>
<td>− Did the entrepreneur rely on ‘lessons learned’ when pursuing opportunities in int. markets?</td>
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<tr>
<td></td>
<td>− Could you explain whether and, if so, how the entrepreneur’s learning from experiences in previous markets influenced the business development in subsequent markets?</td>
<td></td>
<td>− How committed was the entrepreneur to learn from experiences in previous markets or brands when internationalising the company? Give examples.</td>
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### Research questions

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<th>RQ2: How do the entrepreneur’s marketing-related dynamic capabilities re-create and renew the brand identity as a key resource, building and maintaining retail SME internationalisation?</th>
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<td>– What are the crucial sensing, seizing and transforming capabilities of the entrepreneur stimulating a niche-based differentiation based on brand identity in international retail markets?</td>
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<tr>
<td>– How does a niche-based differentiation support a sustained retail SME internationalisation process?</td>
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### Aims and objectives

| – Understand how the entrepreneur explores and exploits opportunities in international markets in the context of the brand identity |
| – Determine how entrepreneurial dynamic capabilities enable marketing differentiation and a specialised niche offer and sustainable competitive advantage in international markets |

### Interview questions

| – How did the entrepreneur identify opportunities for your brand identity overseas and how was this realised? (Sensing & Seizing) (Brand identity = the internal perspective on the brand in terms of a group identity expressed by a set of commonly shared values, competences, origin, vision, communication style and behaviour. |
| – Has the entrepreneur sought to adapt your brand for international markets – if so, how? (Transforming) |
| – Did the identification of these opportunities, and putting them into practice, lead to a sustained competitive advantage? How? |

### Interview probing questions

<p>| – Could you elaborate upon how the entrepreneur became aware of particular opportunities for your brand identity in international markets? (Sensing) |
| – How has the entrepreneur actively managed your brand identity across countries? (Seizing &amp; transforming) |
| – Did the entrepreneur fully exploit the opportunities of the brand identity? How? (Seizing) |
| – Did the entrepreneur need to change elements of the brand identity to ensure it was relevant for the demands of international markets? How? Give examples. (Transforming) |
| – How did the brand and the entrepreneur’s management of it hinder or facilitate int. expansion? |
| – In what ways did your brand identity, and the entrepreneur’s management of this, support a niche-based positioning in the market superior to that of the competition? |</p>
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<td>- Understand how the entrepreneur explores and exploits opportunities through the use of personal and professional networks in international markets.</td>
<td>- Have the entrepreneur’s personal networks helped him/her to identify opportunities for your company in international markets? (Sensing)</td>
<td>- Have personal contacts of the entrepreneur helped to discover opportunities in int. markets? How? Give examples. (Sensing)</td>
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<td>- Determine how entrepreneurial dynamic capabilities in the context of networking supports market access and collaborative business and management operations, constituting an approach towards a sustainable competitive advantage in international markets</td>
<td>- Have personal contacts been important to the entrepreneur in accessing international markets and pursuing opportunities? In what ways did they assist you? (Seizing and Transforming)</td>
<td>- Did the entrepreneur’s personal networks support or actively engage in the establishment and management of your int. retail business? (Seizing&amp;transforming)</td>
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<td>- Did the identification and use of these networks lead to sustained competitive advantage? How?</td>
<td>- Were there critical incidents where the entrepreneur’s personal contacts provided solution to a challenging situation? (Seizing&amp;transforming)</td>
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Helen Christmann (URN: 6150056)
### b. German version ‘non-entrepreneur’ interview schedule

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<td>− RQ1: How do the entrepreneur’s characteristics support entrepreneurial decision-making and problem-solving in retail SME internationalisation?</td>
<td>− Waren die eigenen Erfahrungen des Unternehmers, die ggf. in anderen internationalen Marken oder Märkten gesammelt wurden, relevant für die Verfolgung einer internationalen Strategie?</td>
<td>− Haben pers. oder geschäftl. int. Erfahrungen des Unternehmers seine Einstellung oder Verhalten in Bezug auf die Internationalisierung beeinflusst? Inwiefern? Können Sie Beispiele nennen?</td>
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<td>− Was war der Grund oder die Motivation Chancen in internationalen Märkten zu erkunden und dann auszuschöpfen?</td>
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<td>− Hat die pers. Perspektive auf bzw. die Einstellung des Unternehmers zu int. Märkten den Markteintritt oder nachfolgende Schritte einer langfristigen Internationalisierung beeinflusst? Inwiefern? Können Sie Beispiele nennen?</td>
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<td>− Während der Internationalisierung, inwiefern der Unternehmer sich selbst dazu verpflichtet, aus Erfahrungen in vorangegangenen Märkten oder Marken zu lernen/Erfahrungen zu ziehen?</td>
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<td>– How does a niche-based differentiation support a sustained retail SME internationalisation process?</td>
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<td>– Haben pers. Kontakte dem Unternehmer geholfen, Möglichkeiten in int. Märkten zu entdecken? Wie? Gibt es Beispiele? (Sensing)</td>
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<td>– How do assisted market access and international business development support a sustained retail SME internationalisation process?</td>
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<td>– Haben die Identifizierung und die Nutzung dieser Netzwerke durch den Unternehmer zu einem nachhaltigen Wettbewerbsvorteil geführt? Falls ja, wie?</td>
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</tbody>
</table>

– Habe ich Ihrer Meinung nach einen Faktor außer Acht gelassen? Gibt es einen Punkt, den Sie besonders hervorheben möchten?
### I. List of firm-related interviewees

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Position</th>
<th>Date of interview</th>
<th>Type of interview</th>
<th>Interview length (min)</th>
<th>Data output</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COMPANY A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur A-1</td>
<td>Co-Owner-Manager A-1 founded the firm and is responsible for national and international business development, also creative director</td>
<td>22.06.2016</td>
<td>Face-to-face</td>
<td>75</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Entrepreneur A-2</td>
<td>Co-Owner-Manager A-2, husband of Co-Owner-Manager A-1, joined the firm soon after its foundation and is responsible for national and international business development.</td>
<td>22.06.2016</td>
<td>Face-to-face</td>
<td>75*</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>London Store Manager A</td>
<td>London Store manager</td>
<td>06.07.2016</td>
<td>Face-to-face</td>
<td>41</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>US Managing Director A</td>
<td>US-subsidiary Managing Director</td>
<td>20.07.2016</td>
<td>Skype</td>
<td>23</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Expert Company A</td>
<td>Managing Director at vintage-oriented magazine</td>
<td>18.07.2016</td>
<td>Skype</td>
<td>26</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td><strong>COMPANY B</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur B</td>
<td>Managing Director B joined the firm over five years ago and is responsible for national and international business development, while leaving creative responsibilities to the Founder and Creative Director B.</td>
<td>08.07.2016</td>
<td>Face-to-face</td>
<td>44</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Commercial Director B</td>
<td>Commercial director</td>
<td>23.06.2016</td>
<td>Face-to-face</td>
<td>48</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Internat. Business Development Manager B</td>
<td>International business development manager</td>
<td>08.07.2016</td>
<td>Face-to-face</td>
<td>39</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Expert Company B</td>
<td>Chairman at British retail solutions provider</td>
<td>21.11.2016</td>
<td>Phone</td>
<td>45</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Expert Company B-2</td>
<td>Partner retail sector at global consultancy</td>
<td>16.06.2016</td>
<td>Phone</td>
<td>15</td>
<td>Notes</td>
</tr>
<tr>
<td>Respondent</td>
<td>Position</td>
<td>Date of interview</td>
<td>Type of interview</td>
<td>Interview length (min)</td>
<td>Data output</td>
</tr>
<tr>
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<td>---------------------------------------------------------------------------</td>
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</tr>
<tr>
<td><strong>COMPANY C</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Entrepreneur C-1</td>
<td>Non-executive Co-Owner-Manager C took over the firm with two partners and managed it during initial phases of ownership. Today, he takes a consulting function as one of the directors.</td>
<td>24.06.2016</td>
<td>Face-to-face</td>
<td>67</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Entrepreneur C-2</td>
<td>Co-Owner-Manager C joined the firm ten years ago. He became a minority shareholder and Chief Executive Officer (CEO), and is responsible for national and international business development.</td>
<td>06.07.2016</td>
<td>Face-to-face</td>
<td>22</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Marketing manager C</td>
<td>Marketing manager</td>
<td>20.07.2016</td>
<td>Skype</td>
<td>18</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Marketing assistant C</td>
<td>Marketing assistant</td>
<td>04.08.2016</td>
<td>Phone</td>
<td>24</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Founder and Former Entrepreneur C</td>
<td>Former Owner-Manager C sold the firm after domestic business development stagnated. She remained minority shareholder.</td>
<td>10.08.2016</td>
<td>Skype</td>
<td>23</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Company-Expert C</td>
<td>Owner of advisory firm / analyst</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>COMPANY D</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur D-1</td>
<td>Owner-Manager D took over the business from the previous generation and is responsible for national and international business development</td>
<td>27.04.2017</td>
<td>Email</td>
<td>n/a</td>
<td>Email</td>
</tr>
<tr>
<td>Entrepreneur D-2</td>
<td>CEO of the subsidiary under which all retail activities are undertaken joined the company over six years ago and is responsible for national and international retail expansion.</td>
<td>16.08.2016</td>
<td>Face-to-face</td>
<td>70</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Marketing manager D</td>
<td>Point of sale marketing manager</td>
<td>25.08.2016</td>
<td>Phone</td>
<td>17</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>(Macro-level Company-Expert D)</td>
<td>Head of sales at retail service provider</td>
<td>29.12.2016</td>
<td>Phone</td>
<td>23</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Company-Expert D</td>
<td>Journalist at business magazine</td>
<td>09.08.2016</td>
<td>Phone</td>
<td>17</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Respondent</td>
<td>Position</td>
<td>Date of interview</td>
<td>Type of interview</td>
<td>Interview length (min)</td>
<td>Data output</td>
</tr>
<tr>
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</tr>
<tr>
<td><strong>COMPANY E</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur E-1</td>
<td>Owner-Manager E founded Company E together with his wife, Creative Director E, and is responsible for national and international business development as CEO.</td>
<td>18.08.2016</td>
<td>Face-to-face</td>
<td>86</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Entrepreneur E-2</td>
<td>Chief Operations Officer (COO) / General Manager E joined the firm six years ago and, alongside Owner-Manager E, is responsible for national and international business development with focus on general management and operations.</td>
<td>18.08.2016</td>
<td>Face-to-face</td>
<td>86*</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Country Manager E</td>
<td>Branch manager Germany, Austria, Switzerland</td>
<td>24.08.2016</td>
<td>Face-to-face</td>
<td>50</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Visual Merchandise Teamleader E</td>
<td>Visual Merchandise Teamleader</td>
<td>18.09.2016</td>
<td>Email</td>
<td>n/a</td>
<td>Email</td>
</tr>
<tr>
<td>Franchise taker E</td>
<td>CEO Swiss Fashion Group, franchise partner</td>
<td>19.09.2016</td>
<td>Phone</td>
<td>10</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Company-Expert E-1</td>
<td>Buyer Swiss Fashion Group</td>
<td>11.10.2016</td>
<td>Phone</td>
<td>18</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Company-Expert E-2</td>
<td>CEO of retail operator in United Arab Emirates</td>
<td>31.10.2016</td>
<td>Phone</td>
<td>32</td>
<td>Audio material, notes</td>
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<tr>
<td><strong>COMPANY F</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur F</td>
<td>Co-Owner-Manager F founded the firm together with his wife, Creative Director F, and is responsible for national and international business development as CEO.</td>
<td>28.03.2017</td>
<td>Face-to-face</td>
<td>45</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Global Marketing Manager F</td>
<td>Global marketing manager</td>
<td>07.12.2018</td>
<td>Face-to-face</td>
<td>54</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level Company-Expert F</td>
<td>Journalist at a fashion magazine</td>
<td>27.12.2016</td>
<td>Skype</td>
<td>22</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Respondent</td>
<td>Position</td>
<td>Date of interview</td>
<td>Type of interview</td>
<td>Interview length (min)</td>
<td>Data output</td>
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<tr>
<td><strong>COMPANY G</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur G</td>
<td>Owner-Manager G overtook firm from previous generation and is responsible for national and int. business development.</td>
<td>15.07.2016</td>
<td>Phone</td>
<td>20</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company-Expert G-1</td>
<td>Project manager at entrepreneur network</td>
<td>01.12.2016</td>
<td>Phone</td>
<td>18</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td><strong>COMPANY H</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur H</td>
<td>Co-Owner-Manager H bought into the firm recently. Together with two other shareholders he is responsible for business development as COO and Chief Financial Officer (CFO).</td>
<td>22.03.2017</td>
<td>Phone</td>
<td>44</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Global marketing manager H</td>
<td>Global marketing manager, former owner of store merged with Company H</td>
<td>14.10.2016</td>
<td>Phone</td>
<td>33</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td><strong>COMPANY I</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur I-1</td>
<td>Co-Owner-Manager I, husband of founder, joined firm soon after its foundation and is responsible for national and international business development as director and CFO.</td>
<td>08.12.2016</td>
<td>Face-to-face</td>
<td>36</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Entrepreneur I-2</td>
<td>Operations and IT Director I joined the firm 16 years ago and is responsible for national and international business development regarding operations and IT. He is a minority shareholder.</td>
<td>02.12.2016</td>
<td>Face-to-face</td>
<td>45</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Marketing Director I</td>
<td>Director Marketing Europe and Asia</td>
<td>02.12.2016</td>
<td>Face-to-face</td>
<td>15</td>
<td>Audio material, notes</td>
</tr>
<tr>
<td>Macro-level</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company-Expert I-1</td>
<td>Partner retail sector at global consultancy</td>
<td>16.06.2016</td>
<td>Phone</td>
<td>15**</td>
<td>Notes</td>
</tr>
<tr>
<td>Macro-level</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Company-Expert I-2</td>
<td>Journalist at retail magazine</td>
<td>14.11.2016</td>
<td>Phone</td>
<td>34</td>
<td>Audio material, notes</td>
</tr>
</tbody>
</table>

*Interview conducted together with interviewee listed in previous row.
**Macro-level Company Expert I-1 also provided expertise on Company B as external company expert.
J. Letter of introduction

a. English version letter of introduction

Entrepreneur B
Company B
Address Line No. 1
Address Line No. 2
United Kingdom

Re: Request for participation in PhD research project

Dear Mr Entrepreneur B,

I am a PhD researcher at The University of Surrey exploring retail internationalisation of European fashion SMEs in relation to processes of entrepreneurship and marketing. I am aware that you operate stores in [redacted] and have been successfully retailing internationally for several years. I would be highly interested to interview you about your motivation to internationalise the business and how you are able to deliver the world of Company B beyond the UK.

I have included my researcher profile with this letter and would be pleased to call you at your convenience to discuss further details.

I hope that you are able to support my research and would be extremely grateful if you could let me know by replying to this letter.

Yours sincerely,

Helen Christmann
PhD Student
Surrey Business School

Note: Section specifically devoted to the international expansion of a particular firm is highlighted.
b. German version letter of introduction

Entrepreneur B
Company B
Address Line No. 1
Address Line No. 2
United Kingdom

Betreff: Anfrage zur Teilnahme an PhD-Forschungsprojekt

Sehr geehrter Herr Entrepreneur B,


Diesem Schreiben beigefügt finden Sie mein wissenschaftliches Profil. Selbstverständlich erläutere ich Ihnen gerne weitere Details zu meiner Person und meinem Forschungs­vorhaben.

Ich würde mich freuen, wenn Sie mich bei meiner Forschung unterstützen und mir eine positive Rückmeldung auf meine Anfrage zukommen lassen könnten.

Mit freundlichen Grüßen

Helen Christmann
PhD Student
Surrey Business School

Note: Section specifically devoted to the international expansion of a particular firm is highlighted.
K. Consent Form

Consent Form

✓ I the undersigned confirm that I am in the position to freely consent for my organisation to take part in Helen Christmann’s PhD research project "A qualitative study exploring the role of international entrepreneurship and brand identity in retail SME internationalisation." (working title).

✓ I have read and understood the Project Background Information Sheet provided prior to data collection conducted by Helen Christmann.

✓ I have been given a full explanation of the nature, purpose, location and likely duration of the study, and of what I will be expected to do.

✓ I have been given the opportunity to ask questions on all aspects of the study and have understood the advice and information given as a result.

✓ I have been given adequate time to consider my participation and agreed to comply with the instructions and restrictions of the study.

✓ I have understood that I am free to withdraw my organisation from the study at any time without needing to justify my decision and without prejudice.

✓ I have understood that data gathered in the form of interviews, company documentation and archival records could be part of subsequent reporting in the form of Helen Christmann’s PhD dissertation as well as conference papers or academic journal publications in her authorship.

✓ I have understood that neither my organisation, individual participants from within my organisation nor other persons or companies referred to in interviews, company documentation and archival records would be identifiable in any subsequent reporting of this research (e.g. PhD dissertation, academic journal publication) unless otherwise agreed.

Name of volunteer (BLOCK CAPITALS) .................................................................
Date ..............................................................................................................
Signature .....................................................................................................

Name of researcher (BLOCK CAPITALS) ............................................................
Date ..............................................................................................................
Signature .....................................................................................................
L. Simplified node Tree

Source: Own design.
Note: Nodes developed based on review of retail management and international business literature are presented in white, while newly developed nodes based on interview and supplementary data are presented in grey. Please note that not all nodes included sufficient empirical substantiation to be included in the write-up.
M. NVivo snapshots of codes and their properties
Self-Assessment Form: Ethics (SAFE)

100% complete

Thank you

Completion receipt
Receipt number: 160708-160702-10944255
Submission time: 2016-01-16 10:09:17 GMT

Thank you for completing the Self-Assessment Form: Ethics.

Note: Your responses should be downloaded and kept with your study documentation.

If you have any questions please feel free to contact us via ethics@surrey.ac.uk.
**Self-Assessment Form: Ethics (SAFE)**

<table>
<thead>
<tr>
<th>Response ID</th>
<th>Completion date</th>
</tr>
</thead>
<tbody>
<tr>
<td>160708-160702-10944255</td>
<td>16 Jan 2016, 10:09 (GMT)</td>
</tr>
</tbody>
</table>

1. **Project title**: A qualitative study exploring the role of international entrepreneurship and brand identity in retail SME internationalisation

2. **Chief Investigator**: Helen Christmann

2.a **Email address**: h.christmann@surrey.ac.uk

3. **Level of research**: PhD

3.b **If this is a PhD study please provide the name of your supervisor/s**: Professor Andrew Alexander and Professor Steve Wood

4. **Does the study require review by an NHS Research Ethics Committee?**: No
<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Does the study involve the inducement of MORE than minimal stress to the participant?</td>
<td>No</td>
</tr>
<tr>
<td>6</td>
<td>Does the study involve children under 16 years or other vulnerable groups such as those 16 and over who may feel under pressure to take part due to their connection with the researcher?</td>
<td>No</td>
</tr>
<tr>
<td>7</td>
<td>Does the study involve prisoners or young offenders?</td>
<td>No</td>
</tr>
<tr>
<td>8</td>
<td>Does the study involve the new collection or donation of human tissue, as defined by the Human Tissue Act, from a living person or the recently deceased according to the Human Tissue Authority?</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Question</td>
<td>Answer</td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>9</td>
<td>Does the study involve any of the following ...</td>
<td>No</td>
</tr>
<tr>
<td>10</td>
<td>Are you planning to access records of and/or collect personal confidential data, concerning identifiable individuals as defined by the UK Data Protection Act 1998?</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>Are you linking or sharing personal data or confidential information beyond the initial consent given (including linked data gathered outside of the UK)?</td>
<td>No</td>
</tr>
<tr>
<td>12</td>
<td>Will you collect or access audio/video recordings, photographs or quotations within which participants may be identifiable and with the intention to disseminate those beyond the research team?</td>
<td>No</td>
</tr>
<tr>
<td></td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>13</td>
<td>Does the study require participants to take part in the study without their knowledge and/or consent at the time?</td>
<td>No</td>
</tr>
<tr>
<td>14</td>
<td>Does the study involve deception other than withholding information about the aims of the research until the debriefing?</td>
<td>No</td>
</tr>
<tr>
<td>15</td>
<td>Do you plan to offer incentives which may unduly influence participants' decision to participate?</td>
<td>No</td>
</tr>
<tr>
<td>16</td>
<td>Does the study involve activities where the safety/wellbeing of the researcher may be in question?</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you think that any other significant ethical concerns may arise, or does your external funding body or sponsor require ethical review to be undertaken?</td>
<td>No</td>
</tr>
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</tr>
<tr>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Could the behavioural/physiological intervention possibly lead to discovery of ill health or concerns about wellbeing in a participant incidentally even if the intervention in itself causes no more than minimal stress is to the research participant?</td>
<td>No</td>
</tr>
<tr>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Question</td>
<td>Answer</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>19</td>
<td>Are you investigating existing working or professional practices among participants, identifiable to yourself as the researcher at your own place of work (this may be the University of Surrey or another organisation where you, your supervisor or co-investigator work)?</td>
<td>No</td>
</tr>
<tr>
<td>20</td>
<td>Is the research proposal to be carried out by persons unconnected with the University, but wishing to use staff and/or students as participants?</td>
<td>No</td>
</tr>
<tr>
<td>21</td>
<td>I, the undersigned, confirm that I have read the Ethical Principles and Procedures for Teaching and Research and the Code on Good Research Practice. I understand that the</td>
<td>I agree</td>
</tr>
</tbody>
</table>
project may be monitored and audited by the University of Surrey to ensure that it is carried out in accordance with good practice, legal and ethical requirements and any other guidelines. I understand that the protocol and any associated documents such as information sheets and consent forms should have version numbers and dates. If I make any significant changes to my protocol I understand that I should complete the self-assessment again. I am also aware that any knowingly wrong answer to any of the questions below and any research misconduct reported may lead to disciplinary measures after investigation. In case of dissertation projects or theses, the provision of knowingly incorrect information or proven research
<table>
<thead>
<tr>
<th>21.a Name</th>
<th>Helen Christmann</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.b Date self-assessment form is submitted</td>
<td>16/01/2016</td>
</tr>
</tbody>
</table>

Source: University of Surrey Online Self-Assessment Form Ethics, [Online] Available at: https://surrey.onlinesurveys.ac.uk/onlinesafe (Accessed: 26 January 2016)